$\inf_{\{u_0\}_{0}}|_{\{u_0\}_{0}}$

 $(\otimes_{S(H)}$

data or

Mar-

111 111

& IRWH

ISLANDS

IL TURKEY

JGOSLAVIA

በአባይኒ ስርር። የዩር

CRUISES

JITOH TA.

INTERNATE

HERALD TE-

LYNDS

for #

CLASSE

ATELY FORS!

Italian built fast mulet,

The second secon

o 93 30 03 74 or 93.06

TALY

Elegance

ternmoon lack sen

ESTABLISHED 1887

Constitution of the land of th Genscher Genscher Viving and the to Backs to the die the per Moscow

The Party that Welcomes Plan

The Party that is Welcomes Plan

The Party that is Melan On Troop Cuts

The Party that and be proposed by U.S.

The Party that and the Company of the Party that t

Washington Post Service
Working a complete

POTSDAM, East Germany — Holding a remarked Hans-Dietrich Genscher, the West Canangdong There warmly welcomed a Soviet propositional forces in Europe that the tional forces in Europe that the United States rebuffed at the Mos-

R sinks gare to United States rebuffed at the Moswhen the General Mr. Genscher's praise for the
at the throat motion of the proposal, which calls for cutting a
stallone who the total of one million soldiers from
as the tearles like more MATO and Warsaw Pact forces in
convenient like the cuttrejection voiced in Moscow
horder stands see the cuttrej Prombed of the briefings then, U.S. officials Principle In briefings then, U.S. cancern provided the charge based Mr. Reagan's refusal to discipled Line. West one cases the idea with Mr. Gorbachev front terman side on procedural grounds, asserting in publicity. Ranks that the other members of the headen wine members at the like again wines members at a start Arlantic Treaty Organizahe again superous North Atlantic Treaty Organizabefore the plan could be discussed.

But the tone of those briefings

The New York (m) and later discussions with U.S. offiin director Semile cials established that the United been appointed as States viewed Mr. Gorbachev's the Helsinki Philian proposal as propaganda that did Mottal contract mist not deserve serious consideration. But Mr. Genscher, asked Saturand will run two ga, day for his reaction to the more will head the orders, that has become available, called " in the fr. the proposal "very important" and

and on tour in Europe; said it would serve as "a good founat the New York (m) dation" for discussions between the he will conduct it two blocs on reducing nonnuclear spaces the summer and fall forces. In recent years, Mr. Genscher,

61, has been criticized by U.S., French and British diplomats and officials who say he is too eager to GOING (saccept Soviet and East European TWICE & proposals on arms control and eco-

nomic cooperation.

On Saunday, he delivered an INTERNATIONATION in his first All official visit to East Germany, EXEMO school belose ensignating to West

AUCTION) Germany in 1952.

COLLEN Western policy must now recommon and use the historic oppor-See ARMS, Page 4 IN SATUR

Kiosk

22 Die in Crash

In Argentina POSADAS, Argentina (AP) - An Austral Lineas Aéreas DC-9 carrying 22 persons crashed in heavy fog Sunday near the airport in this northeastern city as it prepared to land, officials said. The airline

aid there were no survivors. . The airline said 15 passengers and seven crew members were on board the private carnier, which left Buenos Aires and stopped in Resistencia en

MONDAY Q&A



Akio Morita, chairman of Sony Corp., is certain the Japanese will remain a step or two ahead of manufacturers in newly industrialized countries. Page 2.

General News

SDI deployment will be held up by a rocket shortage, a U.S. study says. The White House was warned

of a possible pre-election exploitation of the U.S. hostages in Lebanon by Iran. Page 3.

Risen Star, a son of Secretarit, won the Belmont Stakes by 14% lengths. Page 17

Business/Finance Saudi Arabia launched its first bond issue in 25 years to meet a budget shortfall. Page 11. OPEC oil ministers adjourned

their Vicana meeting until Tuesday. Special Report

Bond investors who keep score in dollars are nostalgic for the returns of 1987. Gains have proved clusive this year. In Personal Investing Pages 7-10.

Page 11.

PARIS, MONDAY, JUNE 13, 1988



Ireland Upsets England in Soccer Match Preceded and Followed by Fights

Much more than most of their ing Spain from the rest of Europe

Northern partners, both countries are dismantled, Madrid's main pri-

ing on the blast of competition cent poorer than Italy.

Italy vs. Spain: New Opportunities, New Pitfalls

As the economic barriers divid-

Spain's gross national product

per head, taking account of relative

But the determination to catch

up has generated an atmosphere of

single-minded optimism in Madrid

that is unmatched in Rome, where

expressions of general confidence

in lials's future rend to be tem-

pered by doubts as to whether the

country can compete in the new

While both countries have his

been upset, 1-0, by Ireland in the European Championships. Police, who quickly broke up these fights, had

By Reginald Dale

ROME - Pitting Spain against

taly in an economic contest might

Italy is well over twice Spain's

at first sight seem an unfair match.

weight in terms of national output,

numerous than Spain's 39 million.

Community 30 years ago. Eighth-ranking Spain, long iso-

cally under Franco's dictatorship,

than two and a half years.

"We're far too backward."

been an EC member for less

"Please don't make the compan-

son," said a Spanish official.

By John Kifner

Italy is one of the Group of Sev-

onal Herold Tribune

British and German soccer fans fought Sunday evening outside the railway station in Stuttgart after England had windows in downtown Stuttgart after midnight Saturday. Six were arrested at the match, which, heavily guarded by police, was marred by only one minor incident. Page 16.

their leading decision-makers, cannot fail to be struck by the similarity of many of their aspirations, rate last year, against Italy's 3.1 ger and a more serious country, and stonishing transformations have tories going back several thousand astonishing transformations have place in Spain in the short rate last year, against Italy's 3.1 ger and a more serious country, and

one that has a clearer picture of its

That is partly because so many

immediate future.

Mitterrand Falls Short Of Assembly Majority, **Projections Indicate**

annul Herali Triburc PARIS - President François Mitterrand's Socialist Party failed Senday to win a clear majority in narliamentary elections, according to computer projections.

and could force Mr. Mitterrand to trist parties. Or he could find himself depending on Communist support to govern.

Computer projections gave both short of the 289 seats needed for a without being excessive." majority in the 577-member Na-

Precise results remained in doubt because the races were extremely close in many consutuencies. Forecasts gave the Communists about

In just over 12 years, Spain has

See RIVALS, Page 4

vember 1975.

re-election last month over Jacques - streamlining the bureaucracy while Chirac, the Gaullist prime minister. maintaining social peace.

Never before in the Fifth Republic The Socialists' move to the cen-The failure appeared to leave has a French president failed to carry a parliamentary majority to carry a parliamentary majority to implement his policies in elections and regain votes. immediately following his own vic-

tory.

Last week, as private polls forecast a close outcome, Mr. Mitterrand intervened personally in the campaign and asked voters to give the Socialists and the conservative him a "clear and durable majority alliance between 265 and 285 seats. of Socialists that would be "solid

The voters refused, producing inin the outgoing assembly, the date, which many observers, noting conservative coalition had 276 the high abstention rate, said conseats, the Socialists 206, the Com-tained an element of voter rejection munists 35 and the National Front of French politicians and the options offered to voters. The turnout 71 percent was the lowest in any parliamentary second round in

> Mr. Mitterrand, whose personal easy re-election, now confronts unexpectedly strong support for the center-right coalition, the Gaullist Rally for the Republic and the lib-

eral Union of French Democracy. Prime Minister Michel Rocard, a popular Socialist politician who formed the government after Mr. every president. Mitterrand's re-election, said Sunday that "it will take a few days" to work out the vote's political impli-

Voters, he said, had denied control of parliament to any party, but produced a majority that would support Mr. Mitterrand's policies. In the campaign, Mr. Mitterrand said that France, faced with rising European economic competition. needed a stronger national consensus, rooted in more cooperation between the Socialists and the moder-

tion, have said that they would not automatically try to bring down a minority Socialist government. Raymond Barre, the former con- in parliament.

servative prime minister, said that at a moment France needs above all to be governed." In the national interest, he said, Mr. Mitterrand should reorient his policies to attract broad support.

Valery Giscard d'Estaing, the former conservative president, said that the result could be positive if it forced political leaders to devise ways for "the two halves of France to work together."

Technically, Mr. Rocard's government can continue in office, although some cabinet ministers might be changed.

Mr. Rocard, observers said, will be reluctant to depend on support from the Communist party. Georges Marchais, secretary-gen-eral of the Communist Party, said it was out of the question that his party would participate in a Socialist government. He said the Communists would support bills it ap-

In contrast to 1981, when Mr. Mitterrand was elected president

27 seats and the extreme right Na-tional Front only one. with Communist support, the So-cialists this time tried to reposition cialists this time tried to reposition It was a striking political defeat themselves as moderates, canable for Mr. Mitterrand, who easily won of modernizing the economy and

> ter, analysts said, allowed the Communist party to arrest its decline

Mr. Chirac called on Mr. Mitterrand to name a new government, with strong conservative represen-

rejected Socialist policies. But most conservative politicians echoed Mr. Giscard d'Estaing in urging the working out of a formula for bipartisan cooperation on

Mr. Giscard d'Estaing acknowledged that this prospect would require complex political maneuvering and ran against France's political tradition of strict divisions

along party lines.
Between 1986 and 1988, France was governed under an arrangement known as construction, in which Mr. Mitterrand shared powpopularity was confirmed by his er with Mr. Chirac's conservative

> The experience of cohabitation is credited with reinforcing most French voters' wish for center-ofbreaking the tradition of previding a strong parliamentary majority for

But no clear blueprint emerged quickly Sunday about how France was to cope with the new political

situation The close outcome could complicate the president's efforts to persuade centrists to cross party lines. Commentators said that forthcoming local elections, with the two blocs so close in votes, would induce centrists to cling to present

alignment. Union for French Democracy, said port from center-right politicians.

Conservative leaders, responding to this hid for political.

Pierre Bérégovoy, minister of finance, said that the Socialists would develop a working majority

"I don't put the Communists in egovoy said, adding later that "I'm a realist, and we can see who is for and against each bill."

Mr. Beregovoy said that the Socialists would pursue an "opening" to the center, but acknowledged that now it would "take time, perhaps months." There is broad agreement among

See FRANCE, Page 4

Ozal to Seek A Thaw on **Greek Visit**

ATHENS - A Turkish prime minister will visit Athens for the first time in 36 years Monday in an attempt to improve the fortuous relations between the two coun-

But diplomats in Ankara and Athens cautioned that Turgut Ozal's visit is unlikely to produce a breakthrough on the problems of Cyprus and the Accean Sea. The visit is a step in a peace

initiative launched by Mr. Ozal and Prime Minister Andreas Papandreou of Greece at the Swiss resort

The two leaders almost certainly will focus on Aegean delimitation
— a dispute that brought the two countries to the brink of hostilities in March 1987 — and on the divi-sion of Cyprus. Greece wants a complete withdrawal of Turkish troops from the Turkish-Cypriot state declared five years ago in the

island's northern third, Mr. Ozal said last week in the United States that Turkey could not pull out "even one soldier" under pressure. Ankara has linked a withdrawal to progress in talks expected to take place this month between Rauf Denktash, leader of the breakaway state, and President George Vassilion of Cyprus,

Turkish troops invaded the is-land in 1974 after the collapse of a coup backed by the military junta then ruling Greece.

Secretary-General Javier Pérez de Cuellar of the United Nations urged in a report to the security council last week that Turkey withdraw its estimated 29,000 troops from northern Cyprus as a start to building confidence between Greeks and Turks on the island.

Diplomats in Ankara say both leaders have pinned their political futures at least partially on rapprochement. One diplomat in Athens predicted that the talks might

commander, said confidently the Diplomats, Western aid workers, other day. He was relaxing with his journalists and Afghan refugees in men near a heap of rocket-pro-this sprawling dusty frontier city pelled grenade launchers leaning that has become the headquarters

New York Times Service
PESHAWAR, Pakistan — As the Afghan guerrillas stand on the brink of a military victory against the Soviet-backed government in Kabul, political power is shifting from the seven rival exile parties based in Pakistan to the command-

lated both politically and economi- modernize their economies.

countries today, and talking to rope's most rapidly growing econo-

ers operating inside Afghanistan. The shift of authority to guerrilla leaders in the field has been evolving for more than a year, but is now being accelerated by the phased departure of the Soviet forces that invaded the country eight and a

half years ago. The guerrillas' dependence on the headquarters in Peshawar is being lessened as the rebels move supply and ammunition dumps across the border into Afghanistan and capture stockpiles from Afghan

Army garrisons. Significantly, some local commanders are now reported to be planning joint operations with guerrilla bands from other parties and, perhaps even more important, working out agreements before-hand to divide the booty when a garrison is captured.

what, history suggests, does not: leader, President Najib, and his re-

Afghan Political Power Shifts

their successes — and their prob-

and its population, at 57.4 million, is nearly one and a half times more market planned for the end of 1992 richer community neighbors.

as a watershed in their national

en leading industrialized countries.

Both strongly favor Western Euparchasing power, is only 75 perranking fifth in the West. It was a founding member of the European gration. Both are nervously countrial income. Spain is 30 per-

from the single market to help

And as the Continent struggles

toward closer unity, its two major

southernmost Latin nations are

looking at each other with new in-

Both, along with Britain and

terest and respect.

But anyone visiting the two Portugal, are among Western En- frontier-free Europe.

forming a stable government.

"The new government will be Islamic," Lai Mohammed, a guerrilla a period of extreme uncertainty. against a cave wall after a hot morning of shelling an Alghan government army barracks inside the General Najib could ke

"We want an Islamic regime un-der the law of the Koran," he said. Kabul, the capital and other cities, organization of the new government, the commander was vague.

"There will be some educated

people who know about this," he said. "They will serve Islam." As the Soviet troops withdraw, leaving the Kremlin's appointed

for the guerrilla parties outline a General Najib could keep at least a symbolic hold on the government with a tough defense of

But when pressed for details on and by adroitly buying off some tribal leaders. This is regarded as the least likely possibility.

• At the other ideological extreme, Gulbuddin Hekmatyar, the most dogmatic of the Islamic fun-

damentalist leaders, could take See AFGHAN, Page 4



First U.S. Cyclist Wins Italy's 'Giro' Andy Hampsten, 26, on Sunday became the first American ever to

win the Giro d'Italia (Tour of Italy), the world's second most important bicycle race, and established himself as a favorite in the Tour de France, which begins July 4.

In Toronto, Takeshita Faces Test of Global Role

By Patrick L. Smith

TOKYO - As Prime Minister The growing importance of the Noboru Takeshita prepares to atfield commanders, generally re- tend the economic summit confer- ments, the meeting is seen as a vital garded by diplomats and others as ence in Toronto, there are growing more practical and experienced expectations at home that the occa-than the Peshawar-based leaders, is sion will underscore the limits of a critical development as the guer- his leadership for the first time. rillas face the transition from doing what comes naturally to Afghans the seven leading industrial democimentational demands. fighting foreign invaders - to racies, which begins Sunday, will

be Mr. Takeshita's first summit meeting since assuming office in November. Although he is credited with several domestic achieved with several domestic achieved.

Mr. Takeshita, Japan's 17th prime nized as an accomplished exponent of Japan's postwar political analysts and intellectural nized as an accomplished exponent of Japan's postwar political analysts and intellectural nized as an accomplished exponent of Japan's postwar political tradition, which rests on a balance of pragmatism based chiefly on the special interests and a steady, be-

There are some indications that

NEWS ANALYSIS test of his ability to lead Japan in

ta's first official visit to Europe in

April with his "failure to offer any al Democratic Party point to the sense of grasping the issues."

parliamentary session that ended in late May, describing it as one of the finance minister and a master of most successful on record in terms

Members of the governing Liber-

cials in Bonn and London were hind-the-scenes cultivation of do-disappointed, during Mr. Takeshi-mestic consensus. national direction and more force- of Dayos in January. ful and imaginative leadership. In this respect, Mr. Takeshita is

seen as reversing the efforts of Yasuhiro Nakasone, his predecessor, See TAKESHITA, Page 2

Crowded Summer Skies Burden Trans-Atlantic Air Control

By Steven Greenhouse New York Times Service

FRANKFURT — Air traffic across the North Atlantic will jump to record levels this summer, increasing strains on air control systems and aggravating flight delays in Europe and North America, industry officials say.

The officials said they anticipated an

increase of 10 percent to 12 percent in number of Europeans visiting the United trans-Atlantic flights, and they said the rise States. The total last year was up 26 perwould lead to delays of 30 minutes to 90 cent over the 1986 total. minutes for trans-Atlantic passengers. They also said the increase would make it more difficult to book flights, particularly during the peak travel period from July 15 to Aug. 15. Safety hazards are not expected

to increase, the officials said. "The airways are extremely congested people than ever before."
on the North Atlantic route," said Herbert

At the same time, Ame Lenninger, the director of operations for Pan American World Airways at Frankfurt terrorism and Chernobyl recede and as International Airport. "This is the worst Americans recover from the shock of the 1986 and a record 3.8 million in 1985.

sluggish dollar. Tourism officials expect

As he peered out his window overlooking seven jets from three airlines parked at than in 1987, but the officials doubt that the officials doubt the

There are several explanations for the

record traffic. The weak dollar is expected

to spur a large increase over last year in the

number of Europeans visiting the United

"There's undoubtedly been a move

downwards into the mass market," said

Mike Ward, the managing director of

Poundstretcher, which runs tours to the

At the same time, American tourism to

United States for British Airways. "Ameri-

various gates. Mr. Leuninger said many travel will exceed the record set in 1985, congested, by taking a longer route over Delays and cancellations will be inevita-flights from Europe to New York were when Europe was a bargain because the North Sea, adding almost a half hour to ble." delayed because air traffic controllers in dollar had climbed to record levels. England often report that all the slots on The British Tourist Authority estimates the regular flight paths between the conti-nents are filled. that the number of American visitors will

> 'What's creating congestion in Europe is overcrowded airports and an inadequate air

control system. ca has become more obtainable for more Stephen McGregor, American Airlines spokesman.

some flights. Officials at the International Like many Europeans, these officials are Air Transport Association in Geneva said frustrated and a bit embarrassed that the that for the first four months of 1988, on-time performances of some European trans-Atlantic air traffic was up 17 percent airports is starting to become as bad or climb by 2 percent to 3 percent this year. About 3.4 million Americans visited Britover the same period last year.

> said David Kyd, the group's spokesman. As a result of European deregulation, which makes it far easier for airlines to add flights without bureaucratic delays, air

> travel in Europe has soared far beyond previous levels, complicating matters for trans-Atlantic travelers. Europeans now Joudly complain — and the statistics bear them out — that delays and congestion have never been so bad.

"It's a major problem," said Klaus-Ulrich Muller, an official with Lufthansa at the Frankfurt airport.

even worse than that of U.S. airports. At "We expect traffic in the peak summer the Frankfurt airport, Europe's secondseason to be at least 10 percent above last busiest after Heathrow near London, more summer, and that was a record period," than 30 percent of arrivals and departures are delayed by more than 30 minutes. After eight or so hours of flying from the United States, many Frankfurt-bound flights are put in holding patterns for up to 45 minutes because of runway congestion. A few of these planes are forced to land at

> hubs, many travelers prefer to use it because it is easier to make connections there. "We have had occasional delays before, but never to this extent," said Mr. Leuninger, the Pan Am official. "There is no

> Cologne when they run low on fuel. Be-

cause Frankfurt is one of Europe's major

indication that this will improve in the near

See AIR, Page 4

Sony Chief Says It Is U.S., Not Japan, That Fears 'Tigers'

Akio Morita, a co-founder of Sony Corp., has served as chairman and chief executive of the Japanese electronics company for 12 years. On a visit to Singapore last week, the 67year-old industrialist discussed Japan and its economic links with Asia, the United States and Europe with Michael Richardson of the International Herald Tribune.

Q. Are you worried that the newly industrializing countries of East Asia, particularly South Korea, Taiwan, Singapore, Hong Kong and Thailand, which have much lower costs of production than Japan, will soon catch up in their ability to develop new technology and product

A. The people who are concerned about these so-called "tigers" are the Americans, rather than the Japanese. The wave differentials between Japan and the East Asian NICs are large. We know we cannot compete any more in labor-intensive work. The NICs are now producing some very good products. Maybe they can take over some market share.

But we Japanese remain confident about the future because Japan has a strong industrial base and a long lead in research and development. The speed of

R&D in Japan is much, much faster than in any other country. The potential for innovation is great. I remain confident that we can remain one or two steps ahead of others.

Q. The trade imbalance between Japan and the United States has caused bitter

MONDAY O&A

controversy. Is the real issue Japan's unfair trading practices, as many Americans claim? Or is it about the quality and price of goods, and industrial innovation and marketing?

A. American politicians claim that the main cause of the imbalance is unfair practices of Japanese industry. That iudgment is totally wrong.

Japanese manufacturers cannot force people all over the world to buy their products. Americans buy more Japanese products than we buy American goods. Why? Because Japan manufactures things that are more attractive.

Sony always sells its products at a higher price than those of its competitors. Yet we still have many customers. The essence of industrial competitiveness is not price. It is the ability to make products that people want to buy.

Q. Can the United States sell more at home and overseas?

companies, does not have a real will to make its products attractive to consum-

Take the U.S. automobile industry. It sold 4,000 cars in Japan last year. At the same time, three major U.S. automakers bought 250,000 cars from Japan to sell under their brand name in the United States. Meanwhile, the Japanese auto industry is building factories in the United States. In 1989, these plants will probably produce a million cars. In 1991, they will produce two million cars.

Q. Won't the fall in value of the U.S. dollar help at all in reviving American industry?

A. Now that the dollar is weak, American companies should bring more of their production back from the overseas plants they have invested in. But what is happening is that instead of bringing money home. U.S. industry is sending money abroad to buy goods to bring back home. thus aggravating the trade imbalance. Q. Do you think that the problems you see retarding American management and the U.S. economy are also evident in Western Europe?

A. The countries of the European Community are now taking very strong mea-sures to recover their power. I think they

A. I am very pessimistic because U.S. are trying to build a European business industry, with the exception of a few empire. They have some cooperative projects in research and development. So they are acting from a longer-range viewpoint than the Americans are to strengthen their economic power.

> O. Will creation of a single market in Western Europe in 1992 pose a major competitive challenge to Japan?

A. Probably so. But that's why we are aiming to be European manufacturers. By 1992, we want to be good business citizens of Europe. Sony, for example, has already become a totally British manufacturer. It has received awards for contributions to British exports. We have three factories in France.

Q. Under EC rules, Japanese companies assembling electronics products in Europe have to buy 40 percent of their components from European sources. Is

A. From the very beginning, to reach 40 percent is difficult. Some European industrialists have accused Japanese companies of setting up "screwdriver assem-bly" factories in Europe. They have alleged that this is a form of unfair com-

But any new company starting up anywhere in the world has to import compo-

bling them. When Sony opened its factory in Wales in 1973, we started at this level. When we purchased local components, we found many were not satisfactory. So we sent our engineers to the factories to change the design and improve quality control. Today we depend totally on components produced in Eu-

Q. Are you worried that young Japanese will not have the drive and determination to succeed in economic life that has been the hallmark of your generation?

A. Not at all. Older people are always concerned about the younger generation. When I was a kid, my father warned me that when I grew up our family company might be bankrupted.

tradition. They have a special way of

doing things and of enjoying life.

These customs may be changing. But all Japanese, even youngsters, know that unless we work hard to get money to buy energy, food and other raw materials, we cannot survive. Everybody in Japan knows that we don't have oil or abundant natural resources. We are not self-sufficient in food. So I don't think the Japanese work ethic will change.

WORLD BRIEFS

Fire Quelled on Gulf Ship Hit by Iran DUBAI, United Arab Emirates (Reuters) — Firelighters extinguishe

a fire aboard a British-registered supertanker that was attacked by Iranian gunboats off the coast of Saudi Arabia, Gulf shipping source said Sunday.

They said the damaged Esso Demetia had anchored off of Bahrair after firefighters battled for six hours to quell the blaze in a bunker trail.

No casualties were reported in the raid, one of two mounted Saturday by Iranian boats, ending a two-week hall in attacks by Tehran on interne

tional shipping.

In the other attack, a Filipino seaman was killed aboard the West German container ship Dhaulagiri when it was raked by machine gun fin and rocket-propelled grenades at the entrance to the Gulf.

Beijing Warns on University Unrest BEIJING (WP) — The Chinese government. in a warning carried or

national television, has urged universities to control campus unrest an severely punish those who violate school discipline.

The only known recent demonstrations have been staged by student from Beijing University. The government warning implied that incident may have occurred on other campuses as well.

may nave occurred on other campuses as wen.

Meanwhile, the U.S. Embassy in Beijing canceled a three-day-ok warning that U.S. citizens in Beijing were in danger of a possible extremist attack, Reuters reported from Beijing.

Seoul Students Attack Party Offices

SEOUL (AP) — Students calling for "Revolution!" and hurling fin bombs tried to storm the headquarters of the governing party on Smdaduring a funeral march for a radical who committed ritual snicide. Riot policemen firing tear gas drove off the students and pursued then

te the black to a

sylf for

والم من سيخ ····

. . . k 🏊

at the second of the "

-10 Le 1

- deliber pares

A 400 P

ing 🙀

11. 14.44 (1.65)

< 5 ж**ылда**

and the second second

a para la 🙀 🗖

غطلانتم ز

Are 🌬

1171年 東京衛星

No. of Administra

and the field res

Company of the Company

. . . .

A 15 10 10 4

1 1 17 17 18

1 1.17 12 21 **41**

0.34 259

en en engage

ابها ياست

5

1.00

14 M. S. C.

1 - 1 - 1/2 - 1/2 ...

יביליד ז' ייי

عاربها فأفرونا

Committee and the

- -- ---

and the state of the

e e e e e e e

1 5 6 4

. 19**19∯**

, al 1

Th 44

v. r. yes

August 1

S 1004 4

1 6

a e periodo

nin ingrand 🙀

and Samples of

the store to the

Riot policemen firing tear gas drove of the students and pursued then in running clashes through the center of Seoul. Protesters showered polic with firebombs that covered streets with blazing gasoline.

The violence began when thousands of students and sympathize marched through the city with the coffin of Park Rae Chun, who die June 6 after setting himself afire. Some of the marchers tried to attack the headquarters of the governing Democratic Justice Party during the marchet but were blocked by not policemen. Several police and students were har and some protesters were arrested.

U.S. Plans to Rate Medicare Doctors

WASHINGTON (NYT) — The federal government is planning a study that will rate the more than 300,000 physicians who treat Medican patients on the quality of their patient care, a leading administration

The proposed federal budget that takes effect Oct. 1 includes funds for preliminary work on the study, which is expected to take several years to complete. The study, as now envisioned, would rate doctors by name and results eventually would be made public.

The study will be similar to the data on the mortality rates of nearly = 6,000 hospitals, published in each of the last two years, and a study on the quality of care in 15,000 nursing homes, to be made public this fall.

India Used Sikh Extremist Group

AMRITSAR, India (NYT) - The Punjab government has disarmer and disbanded a group of Sikh extremists that it had financed and armer for several months to attack and confront other militants, a top security

"It was an operation mounted with the best of intentions, in good faith but the people running it did not know how to handle such marters," the official said Saturday. The fellows went out of hand."

official said Saturday. The fellows went out of hand."

His remarks were the first official admission that the state's government had used one band of extremists against others. The official said the group was small, not more than 14 people, and was led by a man name. Santokh Singh Kala. Security and police officials said the groups members had not been very effective in the anti-terrorist operations. The officials said the operation had been limited to the Amritsar region.

For the Record

The final death toll in the June 1 mine accident in Borken, Wes. . Germany, was 51, a mine spokesman said Saturday, after the body of the last man missing was found. A series of explosions at the mine provider the nation's worst mining accident since 1962. (Reuten

TRAVEL UPDATE

Yugoslavia Woos Foreign Yachtsmer-

SPLIT, Yugoslavia (Reuters) — Yugoslavia is inviting foreign inves tors to expand and improve its chain of marinas and is loosening u navigation rules for foreign yachts in an effort to attract European yach owners and improve the country's tourism industry.

Starting this year, foreign yachts in Yugoslavian waters will no long. need new navigation permits when they change crews and passengenonly when they switch captains.

Turkish Airlines has received permission to fly into Oman for the first time, Turkish diplomatic sources said Saturday in Muscat, Oman, Tu move followed the signing of an agreement by the countries' commu tions ministers, Hamoud al-Harthi of Oman and Ekrem Pakdemirli o

This Week's Holidays

Banking and government offices will be closed or services curtailed it the following countries and their dependencies this week because d national and religious holidays:

MONDAY: Australia. Colombia, Fiji, Gibraltar, Hong Kong, Macao, Philip FRIDAY: West Germany, Iceland.

SATURDAY: Egypt, Hong Kong, Macao, Monaco, Taiwan. SUNDAY: Algeria, Trimidad and Tobago, Uraguay.

Squrce: Morgan Guaranty Trust Co., Rester-

TAKESHITA: A Test in Toronto

(Continued from Page 1) to introduce a more "presidential

style." Mr. Takeshita is said to represent a swing back toward such leaders as Zenko Suzuki, an imper-sonal prime minister in the 1970s. now seen as the quintessential postwar consensus builder. In a recent article on Mr. Take-

shita's political methods, a Japanese analyst said that "being flexible and adaptable with no regard for doctrine is little different from being completely unprincipled." To one degree or another, this criticism is echoed often by politi-

cal analysts, diplomats and some business leaders. "Having no coherent sense of

colley, the danger is that he'll lose his way," a Western diplomat said recently. "If he gives in to pressures at home, there's not much chance he'll be able to measure up interna-

Although displaying none of Mr. initiated under Mr. Nakasone. He has continued stimulating

domestic consumption to reduce Japan's trade surplus and has held to the nation's commitment to assume a greater share of its defense burden.

In two important speeches this year, Mr. Takeshita has also sought to define initiatives by which Japan will increase its political and diplo-

speech in Toronto. Troublesome negotiations on

technology transfers and foreign access to Japan's construction marbefore the Toronto meeting.

To many Japanese, Mr. Takeshita's initial successes suggest that accomplish what Mr. National States of the States sone, a leader much given to symbols and grand gestures, could not But there are few discussions of Mr. Takeshita's political ments that do not include caveats.

Even his supporters appear to be of two minds. Although many Jap

anese are clearly more comfortable with Mr. Takeshita's unassuming style, they enjoyed the sense of confidence Mr. Nakasone displayed of the international stage.

Foreign Ministry officials, journalists and scholars have become increasingly open in voicing disappointment with Mr. Takeshits since the mixed results of his first foreign contacts became apparent "Japan has influence: Paris and

London want to hear our views. said Shinji Otsuki, a commentator at the Asahi Shimbun, a nation daily that is traditionally a militarity of the government. But To

keshita never offered any." Closer to home, the prime minis ter's unassuming manner is favored

over Mr. Nakasone's more dete mined approach to relations in the region, Asian diplomats report.

At the same time, though, Mr.

Takeshita's recent failure to act de cisively in dismissing Sesuki Okuno, a minister who publicly defended Japan's wartime role. strong views on almost any subject In effect, Mr. Takeshita has of matic activities in coming years. He is expected to deliver a third such advances in exchange for national

vision. Some diplomats suggest that the bargain may prove more appropriate than critics will allow.
"If he talks less and does more

ed in the last several months. Mr.
Takeshita is seeking an agreement on imports of beef and organized that Japan doesn't need a fission. transferred to another plane for the flight to London and Frankfurt.

Takeshita is seeking an agreement on imports of beef and oranges new style of leadership," a Western analyse said

Independent Moscow Political Clubs Join in Call for Change Moscow Communist Party com- Innovator, most of which have which was finally rejected, was to argued that an elected presidency A suggestion that Stalin be excreate an elected "president of the would become "a dangerous new pelled posthumously from the By Bill Keller grown up in the last year in response to Mr. Gorbachev's call for

New York Times Service MOSCOW — An alliance of independent Moscow political clubs, in their first concerted bid to influence Soviet policy, adopted Sunday an ambitious platform of political changes to be offered at a national Communist Party conference later

this month. The platform, adopted during a five-hour meeting conducted with the approval of local party officials, calls for new freedoms in almost every sphere of Soviet life, from religion and emigration to schools and labor unions.

The most contentious proposal.

Arab Arson

Suspected at

Israeli Parks

By Glenn Frankel

JERUSALEM — Israeli officials

said Sunday that they believe Pal-

estinian militants are responsible

for an epidemic of arson that has

swept through Israel's arid forests

and farmland recently.
Nearly 1,200 hectares (3,000

acres) have burned in two dozen

fires over the weekend. Much of the

area burned was in a 800-hectare

nature reserve southwest of Jerusa-

lem that included mature oak, pis-

tachio and terebinth trees, all of

them invaluable in the harsh desert

There have been more than 400

fires this spring that have destroyed

1,000 hectares, mainly in the Golan

Heights, northern Galilee and

around Jerusalem. The number of

fires was about five times the usual

average, according to officials of

the Jewish National Fund, which

oversees planting and maintenance

A spokesman for the Jewish Na-

tional Fund, David Angel, said he

believes that 50 percent of the 400

fires so far can be attributed to

the Nature Reserves Authority, which oversees Israeli parklands,

said that "places we have protected

for 40 years without any damage,

now they are black." He added:

About a dozen Palestinian sus-

pects have been arrested over the

past few weeks, including two teen-

Separately, an Israeli bus driver

shot and killed an 18-year-old Pal-estinian Sunday after his bus was

and shooting near the West Bank

town of Jericho and said they were

investigating the incident.

beauty of the country."

Dan Perry, deputy director of

of Israel's forests.

Soviet Union," chosen by a direct, power center. secret ballot of all citizens. Such a president would assume the powers dorsed by the independent clubs now held by the leader of the Com-

munist Party. Andrei A. Gromyko, is now largely ula and textbooks, freedom of reli-a ceremonial position, while real gion and the return of churches

authority rests with the party leader, Mikhail S. Gorbachev. There was little doubt that among the independent groups Mr. protection laws, and cancellation Gorbachev would have been the of special privileges for the Comfavorite candidate for the new post. munist Party elite.

but a majority seemed to agree with

Among the dozens of ideas en-

Sunday were the establishment of The Soviet presidency, held by tralized control over school curricgion and the return of churches confiscated by the state, abolition of travel and emigration restrictions, new pension and consumer

The groups called for the release one speaker, Gleb Pavlovsky, who of political and religious prisoners.

Communist Party was applauded,

but not brought to a vote. The debate touched on several subjects still forbidden in the offifree trade unions, the end of cen- cial press, including a call by a Leningrad man for a new examination of the 1968 Soviet invasion of Czechoslovakia.

Leaders of the independent groups said that the historian Yuri N. Afanaseyev, the popular rector of the Moscow Historical Archives 30s, many with a shaggy appear-Institute, had agreed to help get the platform of the independent clubs presented at the party gathering. He was chosen last week by the

mittee as a conference delegate.
The party conference, scheduled to begin June 28, is to discuss ways

of introducing greater democracy into the Soviet system of government, especially by shifting powers from the Communist Party to elected government institutions.

The more than 300 members of

independent political clubs who packed the Energetika House of Culture were mostly in their 20s or ance and fiery quality of discourse. They are clubs with names like Democratic Perestroika, Civic Dig-

by a small circle of Moscow intellinity, Peoples' Action, and Social

Before adjourning, the group agreed in principle to attempt to create a "popular front," an alter-native political alliance that would attempt to field candidates for pub-

greater political pluralism.

Igor Mintusov, a member of the

Moscow club Democratic Peres-

troika, said the informal groups are

becoming more adept at political

activity, but he said the movement

still suffers from being dominated

SDI Launch Faces Delay, Study Says

New York Times Service

staff study says.

That would mean that the earliest operational date for a preliminary shield against Soviet nuclear missiles, under the Strategic Defense Initiative program, would give the Soviet Union additional time to develop countermeasures. the study said. It was published

Saturday The study, written by aides to three senators who oppose the Reagan administration's approach to fielding a limited anti-missile defense as soon as possible, was based on interviews with SDI officials. The Pentagon has said that it wants to decide in the mid-1990s whether to deploy the first phase of the Turkey.
program, but that budget cuts have

caused delays. While the Pentagon criticized the study, saying it "contains more misleading assertions than facts." its criticisms were directed at other conclusions of the report, not at the argument that systems for lannch-

ing weapons into space will be de-The study contends that the initial set of defenses will prevent less than 16 percent of Soviet warheads from penetrating to their targets, and that the costs of the initial

operation, will be as high as \$171 billion.

■ INF Condition Disputed President Ronald Reagan on Friday rejected a condition at-tached to the INF Treaty by the

The condition would require an administration to seek Senate ap-

The action was strongly opposed by the administration and stemmed from its "broad" reading of the 1972 ABM Treaty, which if narrowly interpreted would not allow SDI research.

The president, in a statement to Nakasone's leadership qualities, the Senate, said: "I am compelled Mr. Takeshita has essentially the Senate, said: "I am compelled to state that I cannot accept the adopted without alteration the doproposition that a condition in a mestic and foreign policy programs resolution to ratification can alter the allocation of rights and duties under the constitution."

But Mr. Reagan assured the Senate that he had no intention of changing the interpretation of the

Europe-bound Pan Am 747 jet

By John H. Cushman Jr. WASHINGTON - The first de-

ployment of proposed anti-missile defenses in space cannot occur before 1998 at the earliest because of a lack of heavy-duty rockets to put weapons into orbit, a congressional

system, including expenses for its

Senate, but said the dispute would not affect the pact's implementa-

tion, Reuters reported. The Senate approved the nuclear-weapons treaty May 27 after voting 72 to 27 to add to the ratification resolution a condition de-signed to hold this and future administrations to the treaty's terms as now understood by the Senate and the administration.

proval of any change in the interpretation of the treaty.



"Down the Long Hills" and "Ride the Dark Trail."

More than 140 million copies of

his works are in print, and he is one

of the world's best-selling authors. Several of his books, including

"How the West Was Won," were

Mr. Reagan presented Mr. L'A-mour in 1984 with the Presidential

Medal of Freedom. The previous

year, he received a special Congres-

Born in Jamestown, North Da-kota, in 1908, Mr. L'Amour quit

school and left home when he was

15, working as a prizefighter, tug-

boat deckhand, longshoreman,

made into motion pictures.

sional Gold Medal.

For Work, Academic, Life Experie Send detailed resume for free evaluation. PACIFIC WESTERN UNIVERSITY

600 N. Sepulveda Bivd. Las Angeles. California, 90049, Dept. 23, U.S.A.

BACHELOR'S . MASTER'S . DOCTORATE





FREE, BUT NOT PRIEST — The Reverend Dick Rodgers of Birmingham, England, left, giving an icon to Vasili Shipilov in Moscow following Mr. Shipilov's release after 36 years in Soviet institutions. Mr. Rodgers and émigrés who led a campaign for the man's release believed he was a priest persecuted for his beliefs, but he turned out to be a layman who had been jailed for vagrancy.

Ex-President Giuseppe Saragat of Italy Is Dead

ROME — Giuseppe Saragat, 89, ation.
Italy's first Socialist president, died In 1

Framer of Constitution New York Times Service

agers detained Saturday, who re-portedly confessed to setting some strong opponent of Fascism and founder of Italy's Social Democrat-

Originally a Socialist, he was a stoned, Arab hospital officials said. ic Party, which attempted to bring The army confirmed the stoning leftists into a more centrist position by calling for staunch support of the Western democracies and pro-

moting radical change in housing,

partisans, he was imprisoned by the German occupation authorities. Nenni, away from the Commu-

> cial Democratic Party. In the 1960s he was named foreign minister in the center-left, four-party coalition government of Prime Minister Aldo Moro, Mr.

Mr. Saragat was elected presi-

In 1983, Mr. Saragat was voted president for life of his small party, which won 3 percent of the vote in

national elections in 1987. Mr. Saragat, who was Italy's fifth postwar president, was one of Giuseppe Saragat was president the framers of the constitution of Italy from 1964 to 1971 and a drafted for the republic after the the framers of the constitution war, in 1946, he was elected president of the Constituent Assembly, the provisional parliament that

drafted the constitution. A native of Turin, and the son of lawyer, he trained to be a bank clerk but soon turned to politics. In 1922, the year Mussolini and the Fascists came to power, he joined

the Socialist Party. Shortly after assuming a leadership post in the party, Mr. Saragat went into exile in Austria and France when Socialists were threatened by the government. When he returned to Italy in 1943 to join the

After the war, Mr. Saragat dedicated himself to luring the Socialist Party, then led by his friend Pietro nists. In 1947 he founded the Socialist Party of Italian Workers, which later became the Italian So-

Nenni was named deputy prime

in a single malt.

Isle of Jura

SCOTCH WHISKY

dent in 1964 as a compromise can-didate after the leading parties in merchant called "Mr. San Francis-

agent whose career spanned more than half a century and whose cli-

Parliament failed to agree on a can- co" for his philanthropy and civic didate after 20 ballots. work and president of the Joseph Magnin department store 1938-1969, Wednesday of a heart attack Paul R. Reynolds, 83, a literary in San Francisco.

Jacques Ledoux, 67, a film conents included William Shirer, Rich-servationist of the Royal Belgian ard Wright, Morris West and the Film Archives and a pioneer in film estate of Henry and William James, conservation techniques, in Brus-Friday in Waterbury, Connecticut. sels June 6.

Louis L'Amour, 80, Writer Of Western Novels, Is Dead

LOS ANGELES - Louis L'Amour, a prolific writer whose novels recreated the Old West of gunfighters and lawmen, cattle rustlers and horse thieves, has died of lung cancer. He was 80.

Mr. L'Amour died Friday night at his home in Los Angeles, according to his wife, Kathy. In 1983, President Ronald Reagan praised Mr. L'Amour for "hav-ing brought the West to the people

of the East and to people every-Mr. L'Amour wrote more than a hundred books, nearly all of them Westerns, including "Hondo,","How the West Was Won," The

lumberjack, gold prospector, circus worker, fruit picker, elephant han-Iron Marshall," "The Quick and the Dead," "Sackett's Land," dier and amateur archaeologist. He later lectured at the University of Southern California, the University of Oklahoma and Baylor University. The flavour of an island



Geese Ground Pan Am 747 The Associated Press NEW YORK - A half-dozen

Saturday, forcing the pilot to shut t down and return to Kennedy remaining engines, the authorities ed in the last several months. Mr. said. The 387 passengers were Takeshita is seeking an agreement

geese were sucked into an engine of

International Airport on the three

- LA MONTRE DES MONTRES GENEVE LA MONTRE DES MONTRES In gold or steel or gold/steel combination.
HUBLOT Witer-resistant to a depth of 150 feet. BARCEIONA: Soler Cabot - BRUXELLES: Verboogen - DÚSSELDORF: Wempe -FIRENZE: Calosci, Coppun - FRANKFURT: Wempe - GENEVE: Chimento.

Benoît de Gorda, Clarence, R. Zinnden • HAMBURG: Wempe • HONG KONG:

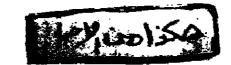
Dackson, Swany . LONDON: Garrard. Hilton Jewellers, David Morry, The Watch

Gallery, Watches of Suntzerland . MADRID: Montejo . MILANO: France, Gobbs.

Vergs - MUNCHEN: Wempe - NEW YORK: Fred. Wempe - PARIS: Fred. Wempe - ROMA: Bedetti, Martini - SINGAPORE: The Hour Gloss - TOKYO: Jewel Gallery -

VENEZIA: Salvadon - WTEN: Schullin - ZÜRICH. Barth. Galls, Meuser.

"They are simply hitting at the at home Saturday from a heart ail-



Gulf Ship Hitly

te (Renters) - Firefighting of Sandt Arabia Gulf a How Unwanter a Mark of the blaze of the manual state of the manual

it the consuler to the Cal

he tederal government a le patient care a leading at

data on the mortalin men. Short Takes of the last two years, and a new

c in the anti-terroristopase

n sand Saturday, after the bok-

ussion to fly into Omm of \$1,000 to the speaker's congressioid Saturday in Muscal Of nal campaign.

I me mind Although to make a buck." alists and scholars har be-

areasingly open in the summer op

list and

were at their height in 1980-82 reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure rate is the hard and the back. The rest of the capital is the back of the capital is the political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of this year, 21 political killings occurred. The victure reaching about 800 a month. There were only 24 for all of 1987. For the first four months of the first four months of the second political killings occurred. The victure reaching about 800 a month so that second political killings occurred the perhaps need are of the Catholic Church's Legal Aid

AMERICAN

City Harvest is a nonprofit group in New York City that col-lects excess food from restanrants, grocers, truck farmers and the like and delivers it free to 115 charitable agencies such as soup hitchens, drug rehabilitation centers and shelters for the homeless.
Contributions have included a Contributions

The section of the se tention of the control of the contro Harmy we're in danger to food nor the hungry. The New Times reports, since both

York Innes reports, safer, it is manufactured the food through the food through New York's congested streets. ing for Revolution and the food through New York's congested streets. The drivers of City Harvest's six wans are equipped with beepers, and the walls of headquarters are covered by color-coded maps of the colling of Justice Park and St. Some of the marches ladge to several policy and sudan. The director, Helen Palit, who founded City Harvest six years ago, says many restaurant and store owners are afraid that if the food they contribute spoils, they

food they contribute spoils, they will be held legally responsible if anyone contracts food poisoning. But this is not so, she adds.

They are worried about liabilpatient care a leading at passed a Good-Samarian law in passed a Good-Samaritan law m 1981, which says food given in at takes effect Oct I include a 1981, which says 1000 given in this expected to take small coincid, would rate doctoring and criminal liability."

philip M. Stern has seen a copy of his latest book, "The Best Congress Money Can Buy," along with a crisp \$1 bill, to each of the VIPPRIST Group 519 members of the Senate and The Pantab government has inbutions from political action inbutions from political action that the remarks that it had financing committees, a practice that the be published in unabridged book. Grenada and the bombing of Libbook attacks. Reactions from the form over the next 10 years, each ya. Mr. Rognoni said, "After



LOOK AGAIN - What appears to be an encounter with a tool-wielding midget is actually an Jonesboro, Georgia, spreading a billboard picture on an advertisement for an amusement park's roller-coaster ride.

sey, sent back the dollar, saying, "I am precluded by House rules from accepting cash." Representative Don Sundquist, Republi-can of Tennessee, accepted the dollar as a contribution but asked Mr. Stern to submit his occupation and the name of his employer so that they could be reported to the Federal Election Commission. Representative E de la Garza.

Democrat of Texas, said he would

ington with prayers for your con-

All 43 years of the "Li'l Abner daily and Sunday comic strip, which ran from 1934 to 1977, will

lawmakers were, predictably, mixed. Representative Frank J. Guarini, Democrat of New Jersey, sent back the dollar, saying, "I am precluded by Hoose rules \$16.95. The owner, Demis Kitchen. en, said he hopes to sell 5,000 copies of each volume. He arranged for publishing rights with the family of the strip's creator. Al Capp, who died in 1979. Mr. Kitchen said, There are an awful lot of alicionados out there on the edge of their seats waiting for

use the dollar "to light a candle in St. Peter's Church here in Wash-Mario Rognoni, told The New York Times that his government takes current American pressure on General Manuel Antonio Noriega, the country's leader, seriously, given the U.S. mining of NicaVietnam, the U.S. is picking only tim had been a professional prize-on small guys, and we're definite-ly a very small guy."

Notes About People

Pity the poor mugger who attacked Jack Hood Vaughn, for-mer ambassador and Peace Corps head, when the slightly-built Mr. Vaughn, 67, left his New York hotel after midnight to buy a newspaper. This fellow came up behind me, put his arm around my waist, pinned my right arm to my side and tried to remove my wallet." Mr. Vaughn recalled. "I hit him in the throat with my elbow. Then I kneed him in the groin and hit him in the jaw about five times. He was jackknifed on his face on the sidewalk as I walked away."

The mugger did not know that, as Johnny Hood, his intended vic-

Peter Nero, the light-music pia-nist, says he and fellow pianists are an endangered species; performers these days are turning to electronic keyboards. "You look at pop, jazz, whatever you like — with few exceptions, everyone else coming up is a keyboardist," he said. "Part of it is economic. Synthesizers are a lot less expensive. But no synthesizer is ever going to make the kind of sound a piano does."

Just when Frank Sinatra quit smoking is unclear, but the singer has resumed the habit. The Washington Post reports him as saying that at his age, "the hell with it.

Arthur Highee

new how to handle such me. S went out of hand. Behind Wright Inquiry, an admission that the same Behind Wright Inquiry, people, and was led by a me at police officials and ber A '2-Bit Book' Bought In Bulk by His Friends

e I mine secident in Boin By Richard L. Berke New York Times Service

of the House of Representatives, is a modest-sized book written by the little fresh stuff."

Democratic leader and bought in The committee is investigating

The friend, S. Gene Payte, a develsuresmendustry oper, said he did so to help Mr. in Yngosdayaan waters will at Wright without violating federal they change crew and parelection laws. Those laws allowed whether Mr. Wright used a staff him to contribute no more than

ment by the countres of "I was just trying to make a conil timan and likem pass infinition to Jim's income," said Mr. Payte. "And I couldn't give him any money. There are rules against that. So I bought his book." ill be closed or serves out Another friend, Gene Wood,

\$1,000 worth of the books. "There's no big money here," Fort Worth. "Just friendship."

Donald J. Simon, a Washington lawyer who specializes in campaign Margar Markette Irac Case in bulk probably would not violate copies were sold at three book-election laws unless it could be stores and at political rallies. wed that the money went to Mr. Wright's congressional campaign. half of the 17,000 copies printed 1 Test in Tord The publication arrangement for were sold in bulk quantities to a the 117-page book, "Reflections of few Wright supporters.

Le many Japanese Mr. Sapects of Mr. Weight le many lapanes. Mr. B. appers of Mr. Wright's conduct as mutual success success that the House ethics committee, an accomplish what Mr. following Republican complaints, one, a leader much grow said Friday it would investigate.

William Carlos Moore, the published and grand g wunam carios Moore, the publish and grand It Takes nath Franchister which to show the world this man, money from Central Bank and

Mr. Moore, a gregarious consultant to many Democratic camof explosions at the marker FORT WORTH, Texas — At paigns in Texas and a Wright political operative here, said he was in the center of an ethical storm surounding Im Wright, the speaker surprised by the attention for what

oreign lachistom financially.

Oreign lachistom financially.

One finend of Mr. Wright's here

whether Mr. Wright was paid excessive royalties and whether they were in return for his giving subt mendance in mining formessid he bought about \$6,000 worth stantial campaign business to the until marines and is loss of the paperbacks at \$5.95 apiece. The panel is also looking into

> member's taxpayer-paid time at work to help edit the book. Several associates of Mr. Wright's said the book project had two purposes: to make a profit and

to provide a vehicle for him to expound his political philosophy. "He thought that this might be of some value to history," said Ben H.

Procter, a history professor at Texchenden in wed his said that to "help Jim," he bought as Christian University who reviewed an early draft of the book for Mr. Wright. Yet when it came out in early 1985, while Mr. Wright was the

House Democratic leader, it made barely a ripple in his home district. finance, said that buying the book Mr. Moore said limited numbers of Mr. Moore said that more than

Mr. Moore, who owns a printing

hat do not include and and for him to make a back and me Trust in Fort Worth even though he was already in debt.



He said he had paid off only a small part of a \$148,713 tax debt to the Internal Revenue Service relating to a 1975 conviction for tax sion. But he said he did not have

trouble obtaining the loan. The four-page book contract was dated Dec. 12, 1984, and signed by Mr. Moore and Mr. Wright. Under the contract, of the \$5.95 each book was sold for in bulk or singly, the anthor received \$3.25, or 55 percent, and the publisher, whose company is the Madison Systems Corp., \$2.70, or 45 percent.

was excessive in standard book ton. publishing arrangements.

got about \$55,000.

"I haven't done anything dishon-House rules are vague on what est or illegal," said Mr. Wright, with the Iranian." constitutes an excessive royalty who appeared on two television inpayment. Mr. Moore said he made terview programs. "I'm convinced I a \$40,000 profit and Mr. Wright haven't violated any rules of the House.

He called the charges "a partisan Wright Denies Charges political ploy" raised by Republiant The Americans are believed to be can seeking to deflect Democratic charges of ethical violations by curvity with whom Iran has influence. terest rules in his financial dealings rent and former members of the and said he was "extremely confi-

Ortega Vows to Observe Truce And Expects Talks to Resume

By Julia Preston

MANAGUA - President Daniel Ortega Sazvedra says the Sandinist government will maintain a de facto cease-fire with the contra rebels "as long as we possibly can" and expects to return eventually to

Despite the breakdown of armistice talks with the contras last week, the government is taking no measures to revert to a wartime footing and will preserve the politi-cal liberties initiated during the 10month regional peace process, Mr. Ortega said.

In his first interview since the talks collapsed Thursday, Mr. Or-tega attributed the rupture to Reagan administration influence on the people, not the proposals, in the

contra camp.

He said the Sandinists believed that Alfredo Cesar and Adolfo Calero, two top contra politicians, were interested in an accord but that they ultimately were restrained

by Washington.

A monitoring commission set up under a March 23 cease-fire pact is still recognized by both sides and will be a key channel between the two warring sides in coming months, Mr. Ortega said.
But he said the contras appear to

be waiting for the results of the U.S. presidential election in No-vember before resuming the talks. If Vice President George Bush wins, the contras might face improved prospects for renewed mili-tary aid, cut off by Congress on Feb. 3.

In the meantime, Mr. Ortega said, "We haven't issued orders to our troops to attack, and we don't plan to for as long a time as possi-ble." He called the current truce, which has been in effect nationwide since March 21, "very positive for the Nicaraguan people."

The government now says it will observe an extension of the cease-fire until July 1. The contras, for their part, said they will refram
The Nicaraguan president said
from attacking Sandinist forces,
the outcome of the talks was "obvibut they spoke of no time limit.

When there is a new round of negotiations. things will be clear. We will be faceto-face with the real players of the State Department. President Daniel Ortega Saavedra of Nicaragua

The peace negotiations became a possibility after Mr. Ortega and the four other Central American presidents signed a peace plan in August

ously not the best but also not the

most negative." He said the contras took a "neutral" position when they left Nicaragua on Thursday, leaving open the possibility of re-suming the talks later.

Mr. Ortega said that behind-thescenes contacts between Mr. Cesar. a Social Democrat, and the Sandinists' American lawyer, Paul Reichler, began weeks before the meetings in Sapos, Nicaragua, that led to the March 23 cease-fire

The president said the early contacts with Mr. Cesar were the key factor in the Sandinists' decision to go to the Sapoa meetings.

The Sandinists understood from Mr. Cesar that he was interested in getting government guarantees to allow him to return to Nicaragua to run in a fair election for president in 1990, "We agreed with that," Mr. Ortega said. "It was a true

At Saposi, Mr. Ortega said, the Sandinists came to believe that Mr. Calero was also interested in returning to Nicaragua to take up a political career. At the close of the Sapoa sessions, Mr. Calero and the president's brother, Defense Minister Humberto Ortega Sauvedra,

spoke alone for nearly an hour. But in Daniel Ortega's view, some State Department and CIA officials were dismayed by the Sapoi accord and worked to undermine it. He speculated that the CIA used "some dirty laundry" to pres-

sure the two contra leaders. Octaviano Cesar, Alfredo Cesar's brother, has been linked in news reports to drug trafficking in Costa Rica, Mr. Calero was linked to the Iran-contra affair but has not been implicated in any wrongole-

"I'm sure if Calero were free to act he would already have signed a peace accord," Mr. Ortega said But, he added, "We are now convinced that Cesar isn't good for

anything."
The Sandinists believe the pressures of the negotiations caused the contras' military chief. Enrique Bermudez, one of the most conservative contra leaders, to enter the negotiations, Mr. Ortega viewed this as a necessary development in the peace process. Mr. Bermudez was a colonel in the National Guard of the Somoza regime. which the Sandinists overthrew in 1979. "When there is a new round of

negotiations, things will be clear." Mr. Ortega said. "We will be faceto-face with the real players of the State Department, We know it will be much more difficult to reach a permanent armistice agreement

"But at least we will be able to keep the truce going and continue discussing our proposals, which sooner or later they will have to

■ U.S. Blames Sandinists Bill McAllister of The Washing-

The Reagan administration has For example, The Times of Lon- blamed the Sandinist government and it has announced it is sending had started direct contacts with the State Department counselor Iran in an effort to free foreign Max M. Kampelman, to Central America to assess the situation.

The White House spokesman Marlin Fitzwater, attributed the breakdown in negotiations to Sandinista intransigence over democratic reform."

He said Saturday that the United States hoped the talks would resume, but he accused the Nicaraguan government of agreeing to the peace talks with the "sole goal" of disarming the rebels.

Mr. Kampelman will begin a visit to the region Monday. The stated purpose of the trip is to brief five Central American leaders on the Moscow summit meeting.

A State Department official said

that administration officials would meet with contra leaders this week to determine their next step. "It'll be up to the resistance to

tell us if the peace process is dead." the official said.

Salvador Army Linked Anew to Political Killings

By Douglas Farah optiment with Mt EL TABLON, El Salvador tree the mixed results of Two simple

the the mixed results of Two simple wooden crosses regan contacts became at Two simple wooden crosses maked the common grave of two simple wooden crosses maked the common grave of two simple wooden contact to heart of some men whose tortured, muting of the Asalu Shahul, and simple the simple sim the Asia Shanbar, is request of family members and vilthe Asia Shanbar, is request o

er Mr. Sankarder mer state of the capital, and reporters of Mr. Sankarder mer state of the capital, and reporters are approach to related several hours to the site med approach to make though territory of the site. ned approach to reliant through territory often stalked by

At the same and states of the state of the same and the state of the s and a minister with the minister with the civilian government steadily on the civilian government stea and the state of t

rising level of violence appeared to be a result of three factors: Declining economic and social

• A fear on the part of the military that political openings on the left permit legal standing for the guerrillas.

• An amnesty enacted in November that closed the books on all political crimes committed by the military, allowing soldiers to believe they can act with impunity. In the early 1980s, the military

was widely regarded as one of the hemisphere's most brutal, and U.S. policy focused on controlling offi-cial abuses and disbanding rightist "death squads" while supporting a civilian government.

Political killings, most of which were committed by death squads,

tary units or security forces. They embarked on an unofficial war to terrorize and kill anyone suspected of involvement with leftist guerrillas or politically sympathetic to

The army has improved its reputation in recent years, but according to diplomats and government officials, U.S. officials here are troubled about reports of new military human rights violations and are pressing to have two colonels whose units have the worst records removed from their commands and transferred outside the country.

Archbishop Armro Rivera y Damas said recently that every time the government violates human rights, it "loses what little had been gained, and the pendulum swings toward the other extreme."

Although the drop in human rights violations and death-squad killings appears to have been impressive, they come against the background of political killings, estimated to number 40,000, since time and denounced them as rebel collaborators. A third man, Sebastian Gutterrez, 18, was reportedly 1980. This terror caused tens of taken away at the same time and is thousands of Salvadorans to flee missing. the country. Observers say the rap- Witnesses said they watched the Sunday but no damage or casualid decline in the number of killings next day as the three were forced to ties were reported.

Office, El Salvador's most respecttary organizations often organized may be because there are so few run barefoot through a burning them there are so few run barefoot through a burning political opponents left to be killed. field and then as two of them were The exhumation at El Tablon stabbed to death, Soldiers then told was carried out late last month under the direction of Jorgen Thomsen, a Danish forensic pathologist and member of the Committee of

Concerned Forensic Scientists for the Documentation of Human Rights Abuses. It showed that the ears and nose of Mario Cruz Rivera, 16, had been sliced off, along with his ring finger. The skull of Felix Antonio Rivera, 25, was crushed and his thumbs cut off. His ears were missing and one of his legs had been

More than a dozen villagers and family members who said they witnessed the capture of the two victims said government troops were responsible for the killings.

According to villagers, the soldiers were accompanied by a woman from the village who directed the troops to the homes of the victims and denounced them as rebel

local people where to find the bodies to bury them, villagers said.
Colonel Rene Emilio Ponce,

commander of the army brigade with jurisdiction in the area, said that in the battle report for the day the men died, troops reported killing two "subversives" at the place where the two villagers were stabbed to death and said there had been a firefight

Civilians said there had been no fighting and that soldiers had simulated a shootout while the men were being tortured to cover their Colonel Ponce said he would not

investigate the unit that reportedly carried out the killings. "We cannot investigate every combat report," he said. "In these cases, I must believe what my colo-

Earthquake Hits Yugoslavia

RELGRADE - An earthquake shook northwest Yugoslavia on

Of the Hostages by Iran written, White House aides sought By Julie Johnson to minimize its significance. "I think it's safe to assume in a New York Tunes Service

U.S. Fears Exploitation

WASHINGTON - As it looks

abead to the presidential campaign, the White House has been warned by a State Department counterter-rorism official that Iran is "not above exploiting" the nine Ameri-can hostages in Lebanon. That message was sent by the official, Robert M. Oakley, in a

memo to Lieutenant General Colin

L. Powell, the national security ad-

viser. State Department officials were also made familiar with its contents. The memo was written about two weeks ago. officials at the White House and State Department said. It was disclosed initially

by The Wall Street Journal. "He basically has been warning people that, based on past experience, someone in Iran - and not necessarily the government - may try to jerk us around," said an administration official. "Its message was that we all need to be on

guard." The Journal's report said Mr. Oakley, director of the State Department's counterterrorism office, foresaw "possible offers to release some hostages before the November election," perhaps in exchange for a pledge from Vice President George Bush that if he wins he

would soften policy toward Teh-Major book publishers in New dent" of being cleared, The Associan official recently tried to arrange York said the royalty percentage ated Press reported from Washing- a clandestine meeting with a Bush aide, whose colleagues told him he

would be 'crazy' to meet secretly Mr. Bush, speaking Friday in Denver, said he was familiar with the news report but added, "I don't

know anything about it, nothing at While administration officials confirmed that the memo had been

ATTORNEY

INFORMATION

PC MARKET

ANALYST

CENTER MANAGER

RESEARCH ASSISTANT

common sense way that Iran is not above exploiting the elections in

some way," said Marlin Fitzwater, the White House spokesman. "It's kind of an obvious, common sense Other officials, speaking privately, said Mr. Oakley's memo had been drafted as an update on the

hostage matter and was designed to counterbalance growing speculation that a release of Americans ton Post reported from Washington. may be imminent. States, Britain and West Germany

■ Khomeini Illness Denied An Iranian official in Vienna has denied a report that Ayatollah Ru-

hollah Khomeini is terminally ill,

"He is in good health," Gholam-

The New York Times reported.

reza Agazadeh, the Iranian oil minister, said when asked about a CBS News report that the Iranian leader has prostate cancer and only two or three months to live. The CBS report was attributed to intelligence sources, who said that the Iranian leader's health was the reason for the appointment of Ha-

shemi Rafsanjani, the speaker of the Majlis, or legislature, as head of

Man Shot to Death in Belfast

Agence France-Presse BELFAST --- A Roman Catholic man was shot to death Sunday morning in northern Belfast in what police said was apparently a sectarian killing. Gunmen opened fire from a passing car as the man was getting into his car, the police said. There was no immediate claim of responsibility.

INTERNATIONAL POSITIONS You will find below a listing of job positions published last Thursday under the rubric International Positions.

Information gatherling. Investigation, Advertisement Surrogate for your fact finding moves Best credibility with resourable bell ANDO SEIMITSU CO. LTD.

EMPLOYER TITLE SALARY U.S. law firm. **BUSINESS AFFAIRS** Société Européenne des satellites. MANAGER **TECHNICAL SALES** £ 25,000 P.A. Advertising MANAGER **MANAGING DIRECTOR** Multinational company. £ 40,000 INT'L BUYER Int'l Group. Attractive PRIMARY RESEARCH Dataquest. CENTER MANAGER

Dataquest.

Dataquest.

| Dataquest.

ACCOUNTING CLERK Dataquest. If you haven't seen lost week's INTERNATIONAL POSITIONS rubric. please ask for a free copy: Max Ferrero, INTERNATIONAL HERALD TRIBUNE, 92521 Neuflly Cedex, France. Tel: (1) 46.37.93.81. Telex: 613595

AFGHAN: Exiles Losing Political Power to Guerrillas ARMS:

(Continued from Page 1) over the government. His group is regarded as the best organized and probably the best armed of the seven-party guerrilla alliance.

 The fractious guerrilla groups here and, more important, the commanders inside Afghanistan, could agree on sharing responsibility and set up a new government, perhaps beginning with a jirgah, a traditional Afghan gathering of leaders. But this scenario is considered highly

 The aged king could return as a unifying force. Zahir Shah, regarded as a cautious modernizer in his time, has, however, little association with the guerrillas and has lived quietly for years in Italy.

There could be a complete

breakdown of civil authority and a An important unknown factor is

the effect on Afghan society of more than eight years of war. During the war, people from isolated mountain valleys joined together to fight the Soviet troops and their Afghan government allies, or trekked through strange territory, as five million Afghans have, to become refugees.

Some experts on Afghanistan contend that the experience will break down traditional ways and divisions, noting in particular that

ties, the traditional route to author-

The experience of war and exile holds the makings of a real Afghanistan for the first time," argued G. Whitney Azoy, a Fulbright scholar winding up a tour in Pakistan.

"Out of this trauma, there is a new sense of nationalism, of common experience, common cause, exposure to the outside world," Mr. Azoy said. "There's a whole generation of folks in their thirties running organizations in Afghanistan who have grown up with a new sense of national identity."

The seven-party alliance in Peshawar is to a large extent the creation of the Pakastani military intelligence service, which channels American arms and other aid to the guerrillas. The Pakistanis require refugees to register with one of the seven parties before they are given

In addition to the three fundamentalist parties, there is one other fundamentalist group, Ittahed-e-Islami, which gets money from Saudi Arabia, and three other parties loosely defined as Islamic traditionalist groups.

These groups are made up of Sunni Moslems, members of the majority faith. There are also some Shitte Moslem guerrilla parties, mostly among the ethnic Shiites several of the guerrilla command-mostly among the ethnic Shiites ers in the field have emerged as known as Hazari in the center of leaders through a kind of meritoc-racy rather than because of family are believed to receive weapons

Jeneva

THE MAGAZINE OF SWITZ REAL'S INTERNATIONAL LIFE

If it goes on in Geneva.

IT GOES INTO

GENEVA NEWS AND

INTERNATIONAL REPORT

INTERNATIONALLY, GENEVA IS RARELY OUT OF THE NEWS, NOT \
SURPRISINGLY, FOR THIS IS A CITY OF TREMENDOUS SYNERGY - AN

ENERGY TO BE INVOLVED AND INFLUENCIAL IN IMPORTANT WORLD

TRANSIENT, SHARE IN THIS VITALETY.

SUCH A MIX MAKES FOR A PLACE WHERE
WE IS THEREBY

GENEVA NEWS AND INTERNAL REPORT, ETTRY MONTH BY

IF YOU WORK, REST OR PLAY IN GENEVA

GENEVA NEWS IS YOUR PASSPORT TO SWITZERLAND'S

INTERNATIONAL LIFE.

or more off your newsstand price

when you subscribe for 12 months

to the International Herald Tribune.

The longer you subscribe the more you save.

We'll give you 13 extra

for six months - or - 52 extra issues

Total savings: Up to 40% or more in

issues for each three months you

subscribe. That's 26 extra issues

for a twelve-month subscription.

PAGE TIME WHEN THINGS HAPPEN, GENERAL EWS IS THE REFER.

IN ADDITION OF THE THINGS HAPPEN, GENERAL ASPECT AND LOCAL EVENTS GENEVA NEWS ALSO ADDRESSES:

BESTIMES NEWS

INSPERIANTS OCIAL TORICS

HOW (AND WHERE) TO FIND TOP GWALITY E

SUBSCRIPTION OR FROM YOUR NEWSAGENT.

· IMPORTANT SOCIAL TOPICS

RESTAURANTS

ARTS AND CULTURE.

EVENTS. AND THE PEOPLE OF GENEVA TOO, BOTH RESIDENT AND

from the Shiite regime in Iran of Ayatollah Ruhollah Khomeini.

Afghans from fighters to intellectuals are open in their criticism of the organizations, saying the groups have formed an alliance in name only and are mired in infighting and corruption despite success in the field.

"They're a fractious lot, with different philosophies and ideologies and don't particularly like each who follows the groups closely.

AIR: Europe Strained

(Continued from Page 1)

future." Like many other airline officials, he said Europe needs a intralized air traffic control agency to help reduce the lack of coordination between countries.

Last year, 25,841,000 passengers flew over the North Atlantic, up 23 percent from 1986. Some aviation experts predict that the total this year will jump by more than 3 million, exceeding 29 million. In July 1987, the busiest month of that year, there were 450 trans-Atlantic flights a day. Many officials predict that the number will exceed 500 a day next month.

Greater competition and new points of arrival and departure also are creating more traffic. Delta Air Lines recently has added flights between Orlando, Florida, and Frankfurt, while American Airlines now has flights between Dallas-Fort Worth and Madrid and between Raleigh-Durham, North Carolina and Paris.

"What's creating congestion in Europe is overcrowded airports and an inadequate air control system," said Stephen McGregor, an American air control system, the

European system is far behind." Many European officials agree. Since airlines began their summer schedules two weeks ago, many European airports, including Rome, Milan, and Munich, have been thrown into crisis. On May 26, the because of congestion in the air and arms talks. on its single runway.

Joachim Lischka, chairman of the West German Civil Aviation Authority, said a major problem for trans-Atlantic and intra-European flights was the lack of coordination among air controllers.
"Some of the European coun-

tries are so small that a flight goes over them in just five or six minutes and then that country's air controllers have to hand over the flight to the next country's controllers," he said. "What we need is a central European authority to create a more efficient, less fragmented net-

FRANCE:

Short of Majority (Continued from Page 1) the Socialists and most conserva- be reached.

tives on European integration and budgetary stringency. The most controversial issue in

Mr. Le Pen, who won nearly 15 percent of the popular vote in the presidential election, was defeated Sunday, together with Bernard Ta-

tered politics to oppose the National Front in this election. But a conservative deal in Marseille with the National Front probably foreshadowed similar alliances in future elections, observers said. It apparently saved some gin restructuring their remaining conservative seats, without causing forces into "defensive" units lackers who consider Mr. Le Pen a

Despite the plunge in his party's fortunes, Mr. Le Pen said: "There is no relation between a political movement and its political repre-sentation." He added that, "The significance of this anti-democratic election is that there is no presidential majority.'

LONDON

Private Tourism Guide Service Credit Cards Accepted

Plan Is Welcomed (Continued from Page 1)

tunity inherent in the Soviet Union's new thinking," Mr. Genscher said in his address to a conference sponsored by the Institute for East-West Security Studies, which is based in New York.

"This calls for self-confidence and the ability to recognize and use other," said a Western diplomat new developments," he added, citing Mr. Reagan's Moscow trip as an example of such an approach.

Officials from Britain, France and the United States attending the conference reacted negatively to the Soviet proposal when it was described Friday. Mr. Genscher's statement in Potsdam made him the first high-ranking Western offi-cial to welcome the Soviet plan.

Mr. Genscher, a leader of the liberal Free Democratic Party, has become the dominant force in foreign policy in Chancellor Helmut Kohl's coalition government, at the expense of the more conservative figures in Mr. Kohl's Christian Democratic Union.

Mr. Genscher's speech was seen by some conference participants as a bid by the foreign minister to expand his influence in managing the relationship between East and West Germany and, more broadly. Eastern and Western Europe. The Soviet conventional arms re-

duction proposal was outlined in a speech by Colonel General Nikolai Chervov, a senior officer in the arms control division of the Soviet general staff. The speech drew immediate crit-

icism from Senator William S. Cohen, Republican of Maine, and the British minister of state for foreign affairs. David Mellor.

Both Mr. Cohen and Mr. Mellor said the Soviets had blocked any American Airlines spokesman. "As serious exchange of data for 14 much as people complain about the years during NATO-Warsaw Pact negotiations in Vienna on reduc-tions in conventional arms.

They and other conference dele gates also criticized the Soviets for introducing a new conventional arms control plan at a time when negotiators from the two blocs in Vienna have nearly completed a Munich airport canceled 23 flights new mandate for conventional

Senior Soviet officials, who were attending the institute's annual conference for the first time, made public the details of the arms control proposal presented by Mr. Gorbachev in Moscow and mentioned Tuesday by Foreign Minister Eduard A. Shevardnadze in a speech to the United Nations in New York.

As described in Potsdam, Mr. Gorbachev's proposal would begin with a detailed exchange of data on the conventional armaments and troop units that each alliance has stationed between the Atlantic Ocean and the Ural Mountains, in the western Soviet Union. The data would be used to establish a weap-ons system in which neither side had an advantage.

Disputes over this would be resolved through on-site inspections, and the disparity would be elimi-

The Soviet officials avoided specifying whether disparities in troop levels would also be eliminatthe campaign was an electoral alli-ance in Marseille between local officials who apparently had been conservatives and the National briefed on the plan said this first Front of Jean-Marie Le Pen. phase would involve bringing the number of troops on each side down to equal levels.

In the second phase proposed by Mr. Gorbachev, NATO and the pie, a businessman and owner of Warsaw Pact would each cut the Marseille soccer team, who en-Enrope. This would leave each alliance with about 1.8 million troops, based on figures published by the International Institute for Strategic Studies.

The two alliances would then bea national backlash by centrist voting the armor, artillery and other equipment needed to launch surprise attacks against the other.

> Mr. Genscher echoed this last point Saturday, saying a conven-tional arms control accord must draw up principles determining what strength, equipment and deployment of forces are needed for the purposes of war prevention and self-defense."



GREETINGS FOR MANDELA — Some of the more than 70,000 fans at an anti-apartheid fund-raising concert in London holding up birthday wishes for Nelson Mandela, the imprisoned South African black nationalist who turns 70 on July 18. The concert lasted nearly 11 hours and featured entertainers from the Bee Gees to Stevie Wonder, with a finale by the American operatic soprano Jessye Norman. It was the biggest charity rock concert since Live Aid raised money for famine victims in 1985.

RIVALS: For Italy and Spain, Similar Aspirations and Similar Problem

(Continued from Page 1)

restored democracy and the monarchy changed government leftward by popular vote, entered the EC and confirmed its NATO membership in a national referendum.

All these heady events have given the country a renewed pride in itself and a sense of direction. Italy may be moving toward some kind of political realignment, with the power of the Communist Party on the wane and that of the Socialists waxing. But there has been no fundamental redistribution of political power since the end of World War

Spain's newness as an EC member shows in small but illuminating ways. Spanish bureaucrats at EC headquarters in Brussels still dislike living abroad and tend to fly home on weekends. Madrid government officials are already nervous about Spain's first turn in the EC's presidential chair next year.

More importantly, Spain is only just beginning to feel the first im-pact of EC membership on tradi-tional heavy industries like iron, steel and shipbuilding, which are being badly hit as government subsidies and protection are removed. Italy restructured much of industry after the two oil crises of the 1970s.

Politically, officials from other EC nations sometimes privately confessed to uneasiness when Spain joined in 1986, the first major new member to be admitted since Britain in 1973. One fear was that Spain would take over in the 1980s as the community's most nationalistic and difficult member, after France in the 1960s and Brit-

ain in the 1970s. That has not happened so far. been of two minds about having Spain as a partner.

On the plus side, in the Italian weight to the Mediterranean area, and thus to Mediterranean inter-

On the minus side, Spain has always been seen by Italy as a major potential competitor, both for EC funds and as a rival exporter of such Mediterranean produce as wine, olive oil, fruit and vegetables. With the agreement earlier this

year to double EC structural support funds by 1992, the first of these anxieties has receded, according to Rome officials. In that respect, we do not re-

gard Spain as a competitor," said Roberto Nigido, minister plenipo-tentiary in charge of coordinating Italy's EC policies at the Italian Foreign Ministry. "Each country will have a reasonable share according to its necessities." On the commercial front, howev-

er, Renato Ruggiero, the Italian minister of foreign trade, said,

"there is increasing competition head of planning at Pirelli, which

Ironically, he put this down to the fact that Italy had been in the EC far longer. Generous financial support from Brussels for Italian agriculture had lessened incentives background and culture that has to "produce and sell better," he overcome familiar problems to sucsaid. Spain, obliged to "fight on its ceed in Europe and the wider own," had made its agriculture more dynamic.

had "a lot of common ideas" for merce. the EC's future development. Both like research, transport, new tech- more like France or Germany." nology and the environment.

the similar handicaps both countries two countries. Italy's inefficient tries feel they are burdened with as public administration is widely

from Spain, because their agricul- has extensive operations in both only just beginning to become tural products are better market-countries. The Italians treat Span-spectable to make money and di ish managers, customers and sup- play wealth. But in both countries pliers much more like partners than the French do, he said.

Looking at Italy, many Spaniards see a country with a similar world. "There are a lot of things in Italy we should learn," said Miguel Looking ahead, however, Mr. Angel Fernández Ordonez, the Nigido said that Rome and Madrid Spanish state secretary for com-

"The Italians have incredible incountries, unlike Britain for exam- novation and management." he Italy, new business schools a ple, wanted to see much more po-licy coordination, and much more tion is more serious, better and community money spent, in areas more qualified. In that sense we are

That is a common theme among Those priorities clearly reflect experts who have compared the

1992 approaches. For Spain, 1992 agreed to constitute one of main 'Spain has a better public administration,

but Italy has more entrepreneurs. Italy is better managed; Spain is better administered.'

Romano Prodi, chairman of IRI

is a double deadline, as it is also the threats to the country's economic year in which the country com-pletes its transition to full integra"Spain has a better public adic structure.

But Italy, in particular, has always need radically to modernize outdated public infrastructures, particularly transport and communi-

sound virtually identical.

sons, Italians and Spaniards are percent. sometimes uncomfortable with the historic consciousness, and memories of the Napoleonic invasion are still surprisingly fresh, say Madrid analysts who have studied the phe-

nomenon. :--- -Italians get on better with Spaniards because the Italians have a

"less colonialist approach" than the French, said Maurizio Prete,

ESCORTS & GUIDES

LONDON ONLY JAPANESE ESCOR Service Bilingurd, Credit cords, Tel: 0 370 0634 / 603 7194.

tion into the EC's existing econom-ministration", said Romano Prodi, chairman of IRI, Italy's largest Economists in both countries say the main challenge they face in more entrepreneurs. Italy is better adapting to the single market is the managed; Spain is better administrated with the modernies out. The parallels between Italy and

Spain are much more striking than between either country and France, view, the presence of Spain in the community would give greater about the telephones, the railroads, followed largely similar patterns of traffic congestion and poor public industrial development, based on a health and education services proliferation of small- to mediumsized companies.

Nevertheless, many Spaniards ... Today, the two countries face a today say they look to Italy, rather remarkably similar range of ecothan neighboring France, as their nomic problems. They include inmodel. "Italy has the most similar terest rates that are among the people to us and the most similar highest in the West and persistently climate," said José Maria Aguirre high levels of unemployment. González, a member of the execut Spam's jobless rate is just above 20 tive committee of the CEOE, the percent, according to official fig-Spanish Employers' Organization.

For historical and cultural rea
compared with an EC average of 11

With domestic demand rapidly French. The Spaniards have a long expanding, at an annual rate of 5 percent to 6 percent in Italy and 8 percent in Spain, economists in both countries are warning that steps should be taken to restrain consumption. Although neither country is yet overly concerned, imports are pouring in much faster

than exports are rising.
On the positive side, both countries for the time being appear to have inflation much better under control than in the past, with Spain both countries industrial production is expanding healthily and Islam the state religion of Bangs business profits are high.

In Italy, successful businessmen have long been admired. "The basic culture of the country is favorable to economic success," said the bill, which was passed Tuesday Franco Bruni, an economics pro-fessor in charge of a new manage-remained closed. Government d fessor in charge of a new manage-ment program at Milan's Bocconi

In Spain, said Mr. Aguirre it university professors say that t day's generation of students flocking more than ever before economics, business and manage ment courses

Despite Italy's reputation for e trepreneurship, and the flambo ance of some of its leading but nessmen, economists in bo countries say that there is a sho age of in-depth management exp

In response, in both Spain a opening, often in conjunction wi American universities and with heavy emphasis on learning F

But the two countries also ha much a more fundamental probk that is strikingly similar. In both them, a backward South lags ! behind a more prosperous and d namic North.

In Italy's Mezzogiorno, the u employment rate is 20 percent a rising, in Spain's southernmost; gion of Andalusia, it is 30 percer Spanish officials express conce that the the country will develop "dual economy," while their liah counterparts worry about "two h

In both countries, but especial in Italy, there are fears that t post-1992 single market will dra even more resources from t southern, peripheral regions in Europe's central heartlands.

Some econor that the entire Mediterranean ar - including Italy, Spain, Portug Greece and, far from the Medit ranean, Ireland — could become backward region in a "dual" econ my at European level. In keeps with Madrid's greater optimis about the future, such fears tend be Italian rather than Spanish.

"Some Italians worry that th will get caught in a Mediterrane area of the community characte ized by high unemployment, bac ward public services, relatively u stable currencies and inflation said one analyst in Rome.

Spaniards tend to envision much more appealing scenario of booming Mediterranean area on sistently growing faster tha Northern Europe as it catches with the rest of the communit And some Italians share that vis Pirelli's Mr. Prete said he exper

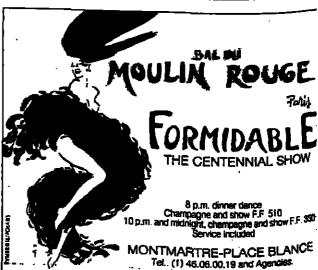
ed Mediterranean Europe to b come "the Southern growth pole Europe." Precisely because it is b hind the North, it has a bigg potential market, he said.

Protesters and Police Clash in Bangladesh

The Associated Press DHAKA, Bangladesh - Abo desh, witnesses said.

The police reported 30 arrest The demonstrations coincided wil a one-day strike called to prote fices were open, but attendant was reported as poor.

WORLDWIDE ENTERTAINMENT



most European countries. -Herald Eribune. — To: Subscription Manager, International Herald Tribune, 181, Avenue Charles-de-Goulle 92521 Neutly Cedex, France. Country Currency 1 year 6 mos. 3 mos. + 52 + 26 + 13 issues issues issues issues 4 mos. 1 mos Please check the subscription term you desire: 52 extra issues with a 12-month subscription (364 issues in all) D.Kr. 2,700 1,500 830 F.M. 1,830 1,000 550 F.F. 1,600 860 26 extra issues with a 6-month subscription (182 issues in all) Germany* D.M. 600 330 182 Great Britain E 135 74 41 Dr. 25,000 14,000 7,700 EHL 155 85 47 13 extra issues with a 3-month subscription (9) issues in oil) Lire 400,000 220,000 121,000 Lisembourg LFr. 11,500 6,300 3,400 Netherlands FL 660 365 200 Norway (sir) N.Kr. 2,000 1,100 600 My check is endosed Please charge my: Access — **™(hd.** de**l.**) 2.500 Diners Oub Eurocard Mostercard Visa 1,400 700 Portugal Esc 25,000 14,300 7,900 Pics. 31,000 17,000 poin [ed] Prass 31,340 17,440 7,740 17,440 17,440 17,310 1 Signature witzerland S.Fr. 510 280 154 Rest of Europa, North Africa, former French Africa, Mid. East \$ 470 260 145 Cord expiry dote Rest of Africa, Gulf States, Asia \$ 620 340 Card occount number 12-6-88 In Germany, hand delivery is available in major rates on publication dose. For details please dreck here and fill in your address above.



INTERNATIONAL (Continued from Back Page) **ESCORT** ESCORTS & GUIDES **ESCORTS & GUIDES SERVICE ARISTOCATS** LONDON ATTRACTIONS London Escert Service houldhom Street, London WI. mojor Credit Cords Accepted Tel: 01 258 0090 (3 lines) 12 noon - midnight Escort Service. Tel: 01-266-310 Head office in New York 330 W 56 St, NYC 10019 US ZURICH SUSAN ESCORT SERVICE. 01/44 24 73 212-765-7896 212-765-7754 GENEVA * LOVELY * LA VENTURA MAJOR CREDIT CARDS AND CHECKS ACCEPTED SCORT SERVICE 022/21 99 61 N.Y. ESCORT SERVICE 212-686-3344 CHELSEA ESCORT SERVICE. 51 Beauchamp Place, London SW3 Tel: 01 584 6513/2749 (4.12 pm) LONDON KENSINGTON LONDON ESCORT SERVICE 10 KENSINGTON CHURCH ST, WB TEL: 937 9136 OR 937 9133 All major credit cards accepted. BELGRAYIA **ZURICH** Excert Service. Tel: 736 5877.

GENEVA * MELODIE

ESCORT SERVICE, Tel: 022/461 158

op Escort Service, Tel 01/41 76 09 DÜSSELDORF-Cologne Essen-Bann Dusburg - Krefeld and area. France Escort + Travel service. Gredit cards Tel: 0211/33 22 07 anyame. MAYFAIR CLUB MADRID IMPACT ESCORT and Guide Service. Multilingual. Visa. Open 11am - midnight. Tel. 361 4142 COPENHAGEN - STOCKHOLM Miss Scandinavia Escori Service, Male / female, Tet: 451-54 17 06 or 54 60 16. CAPRICE-NY FSCORT SERVICE IN NEW YORK TEL: 212-737 3291. OME CLUB EUROPE ESCORT & Guide Service. Tel: 06/589 2604 or 589 1146 (from 4 pm to 9:30 pm) First Class Escort / Guide Service Tol: (C3) 351-2278. PRESTIGE NEW YORK ESCORT SERVICE (212) 688-2512 * FRANKFURT-WIESBADEN *

INTERNATIONAL CLASSIFIED

ESCORTS & GUIDES ••• BLONDES ESCORT Service ••• European & For Eastern •••• 24 hours. London 723 8667 ATHENS EXECUTIVE ESCORT AND Guide Service. 7 days a week, English spoken. Tel: 3641746 Ashens. LONDON ORIENTAL GUIDE and E-cort Service. Central London / Heath row. Tel: 0836 630690. MEXICO CITY. DOMINA Escort and Guide Service. Multilingual, elegant, Tel: 761 0187 SHADOWS +++ A Escort Service. Tel: Macinal 341-2629993 Vienos Escert Service 56 86 84 LONDON EXECUTIVE Connection Except Service. 11 am - 2 am. Tel: 0860.344609 Landon Escort Service. Telephone 01 555 8611.

*** LONDON MARRLYN **** Bubbly, continental Lody Excert Ser-vice, Tel. 01-386 7671. Enclusive New York Escort Service [212] 888-1666. TOKYO EXCLUSIVE ESCORT Service. BRUSSELS. **** ANN **** Escort Service. Multilingual. Tel: 02-733 88 47. Credit cards accepted. RANKRIRT - WIESBADEN + sur-* * Christino's Escori Service * * * * * 069/36 46 56. Credit Conds * * roundings (5cort + Travel service Tet 06727/8917 or 069/62 88 05. New Cerman Issaet and Travel Service. Tel: 01-482 6250

MURNICH **** SECRETS **** **** 311 79 00 *** 448 60 38 Escort + Guide Services ****** Escort Service, Phone: (U 20 - 91 1030). All major credit cards accepted. RANKFURT "TOP TEN" ESCORT SERVICE (869 / 55-88-26, OPEN 7 DAYS A WEEK FROM 3FM. MILAN EXCLUSIVE MULTILINGUA Escort Service. Call night and day. Te (39-2) 8691479. FRANKFURT - BEST CONNECTION Excert Servica. Phone: 069 / 84 48 75 or 84 48 76. AMSTERDAM JASMIN Excert Service. Tel: 020-904987. The best in town, Credit cards accepted. • FRANKFURT - WIESBADIEN * • • • 089 /497401 NEW LADY ESCORT 8 TRAVEL SERVICE.

AMSTERDAM BERNADETTE GOD Service, Number One, 24 hr. service, Call (0) 20-32/799 or (0) 20-362833. EXQUISITE INTERNATIONAL Excert Service. Washington, D.C. USA. Tel: 202-362-4503. GENEVA PRETTY
ESCORT SERVICE
164 22/21.03.40 AMSTERDAM S.H.E. * Except and Guide Service, Male and Female, Tel: (0) 20 - 6657701. * GENEVA ROYAL GENEVA ** Telephone 022 / 812 772 ond guide service. Tel: Geneva (122) 35 68 23. LONDON BRAZILIAN ESCORT Ser-wce. Open seven days a week. Multi-langual. Tel: 01 723 4666. ** MUNICH ** 91 23 14 ** ESCORT AND GUIDE AGENCY. The

FOR THE **INGENUITY DEDICATION** & **CREATIVITY** THAT **HE HAS BROUGHT TO THE** WORLD OF **FRAGRANCE**



JEAN-PIERRE GUERLAIN

Chairman, House of Guerlain

ADMITTED TO

THE FRAGRANCE FOUNDATION

HALL OF FAME

New York, June 8, 1988

is and Similar Pa

in response uses their new busing

de tone ellen mark

that is strikingh smig] them a backwardiis intolla more prope In halv Mezogan and sometime (32 mare in Spans with control Andalusa and spend official ages hat the the committee ाव वं करणालाह अक्टिट

The both countries 🖭 on Bals, there are in

a estitat in peopleid 📬

Moscow Gets Religion

An extraordinary gathering of world reli-gious leaders assembled in atheist Moscow last week to celebrate a millennium - the 1,000th anniversary of the Russian Orthodox Church Participants included the archbishop of Canterbury, the Vatican's secretary of state and the Reverend Billy Graham.

Mikhail Gorbachev himself met with Orthodox Church leaders in preparation for the event, and returned several monasteries to the church's control. Meantime, the Soviet press has rung with open debate on religious issues. And all this occurs in a state that calls religion a superstition unworthy of the modern scientific age.

But the millennium also serves as a reminder of how much has not changed between the Soviet state and religious believers: the continuing repression of millions of Roman Catholics, Jews, Protestants and Moslems, whose religions are less favored.

True, there are some hopeful gestures even here. For 42 years Moscow has suppressed the Ukrainian Catholic Church. But on the eve of the millennial celebration, a Russian Orthodox official announced talks with Ukrainian Catholics on the status of their church. Soviet officials have agreed in principle to open a rabbinical school. There have also been promises that the 1929 law restricting religion will be revised. And Russian Orthodox leaders last week approved statutes aimed at reclaiming some religious functions from the state.

Yet strict state control remains the rule. No one can worship except in officially registered congregations. The state owns

the sole publisher of Bibles and other religious literature, constantly in short supply Religious instruction for children is prohib ited. Two hundred Soviet citizens remain imprisoned for their religious beliefs although there were more than 400 in 1985. Countless others suffer educational and professional discrimination.

Many Communist leaders fear that genuine independence even for the Russian Orthodox Church would threaten party supremacy. Other churches, their traditions foreign, their allegiances directed to places other than Moscow, seem even more menacing. And in the Baltic states and Poland, the Catholic Church is inevitably associated with struggles for greater independence.

Yet the time now seems propitious for positive change. As Russians begin to look honestly at their history, the Russian Ortho-dox Church commands fresh attention for the rich role it has played in that history. More generally, Mr. Gorbachev is plainly eager to improve his country's human rights image abroad. And organized religions tend to stress community involvement, family life and hard work, values that Mr. Gorbachev

would like to see applied toward his reforms.

Last week's assembly of religious notables in a monastery restored by the world's proudest atheist state was specifically designed to look back at a thousand years in the life of one church. By calling attention also to less favored faiths, this celebration can serve the future, too.

- THE NEW YORK TIMES.

A Global Greenhouse

on record. The four warmest years in modern history all fall in the 1980s. There is a the world has been getting warmer. good deal of uncertainty about the rate at which this planet is getting hotter, but there is no doubt about the direction of the trend, or the reason for it.

The ingenious inhabitants of this world have brought themselves to a level of industrial development that is changing the climate. The chief cause is the gigantic volume of carbon dioxide that they generate by burning all the familiar fuels, but there are other gases that also make important contributions to the temperature. They are building up into a chemical blanket through which the very high-frequency radiation from the sun passes easily, but which traps the heat that the Earth would radiate back at lower frequencies into space. That is the greenhouse effect — the chemical blanket has the same effect as a sheet of glass — and the speed with which it changes climates will depend on the world's ability to reduce the emissions that are feeding it.

Temperatures worldwide have swung up and down sharply over the centuries for entirely natural reasons. In recent history, the world got colder in the 17th century, on the whole an unpleasant time to live, and hit a low point early in the 18th. It grew warmer for a century, then temperatures dipped

again in the early 19th century. Since then, in an irregular and unpredictable pattern,

In recent years, man-made emissions of insulating gases have apparently begun to overwhelm whatever natural process might be at work. Changes in the world's average temperatures are measured in tenths of a degree centigrade per decade, but a few teaths is enough to affect the climate perceptibly. The warming since the last Ice Age may have been no more than 5 degrees, and in the past two centuries geologists have seen glaciers advance and retreat in response to variations of a fraction of a degree.

A prolonged warming trend would mean rising sea level, changes in patterns of precipitation and perhaps even changes in vegetation. With the return of summer in the Northern Hemisphere, perhaps it is a good moment to ask how far this process of unintended change will be allowed to run.

The U.S. Congress has asked the Environmental Protection Agency for two reports, one describing the greenhouse effects that are now unfolding and the other on the possibilities of restraining and stabilizing the accumulation of greenhouse gases. The reports are to be published at the end of the year, just in time for the arrival of the next administration.

- THE WASHINGTON POST.

So Long to the Contras

Perhaps it was not the Sandinists' purpose to use their talks with the contras to destroy them, but the results have been going that way. The talks opened with the contras at an immense disadvantage after the U.S. Congress cut off their arms supply and, with it, their option to resume battle and their capacity to demonstrate strong patronage. The Sandinists withheld agreement on terms of delivery of nonlethal U.S. aid to contras remaining inside Nicaragua. so most contras have had to withdraw to Honduras. Further, the Sandinists withheld agreement on the terms of their promised democratization. The Managua talks broke down on this issue last Thursday, and at once a regime spokesman publicized and blew a back channel to the contras, greatly burdening the faction regarded as most ready to risk political competition in Sandinist Nicaragua. Repression of the legal unarmed political opposition continues apace. An ill-defined cease-fire still holds, but the Sandinists would have a commanding position if a shooting war resumed.

For the collapse of the negotiation that is at the core of the whole Central American reach for peace and democracy, the contras and the Reagan administration blame Managua. On this basis, some U.S. legislators are trying to stir up support for a new vote on contra aid. A newly subdued House Speaker Jim Wright says he does not lay blame because he does not know what happened. His leadership colleague, David Bonior, indicates that some Republicans, if not the contras, appeared eager to have the talks fail precisely in order to seek new military aid. If you can believe this, you are qualified to be chief deputy Democratic whip.

To say that contra aid is dead is not to

utter a self-fulfilling prophecy but to draw the only proper conclusion from the involuntary unilateral disarmament, dispersal, isolation and demoralization that the Sandinists, other Central Americans, congressional Democrats and the Reagan administration, by its miscues, have forced upon the contras. In these circumstances, the useful and honorable thing to do is to lean on the Sandinists politically for what it is worth. A Sandinist "peace" is all but ensured in Nicaragua. Democracy, the other part of what was supposed to be a bargain, is not. Is it conceivable that David Bonior's Democrats could stop chasing ghosts and playing political games and bring themselves to be marginally helpful in a cause that they insist they embrace, or at least to stop hurting it?

- THE WASHINGTON POST.

Other Comment

No Slackening in Tehran

Despite recent military setbacks, Tehran shows no signs of slackening its efforts in the Gulf war. Indeed, perhaps because of the reverses and in an attempt to revive enthusiasm for the struggle against Iraq, Iran's leaders appear to be preparing for an even more diligent prosecution of the war. The United States has reported that Iran is completing a new Silkwork missile site along the Strait of Hormuz. The missiles would threaten all ships passing through the entrance to the Gulf. Formal command of the armed forces has been handed over by Ayatollah Khomeini to the parliamentary speaker. His task is to overcome any resistance to the war within the armed forces, and to direct the country's efforts to victory on the battlefield.

- The Sydney Morning Herald.

Beware of Chaos in Panama

The Reagan administration's drive to dislodge dictator Manuel Antonio Noriega has claimed an unintended victim, the Panamanian economy. Sanctions were supposed to throw that already troubled, debt-ridden nation into such chaos that Panamanians would rise up and demand General Noriega's ouster; instead, the U.S. moves have helped create an economic disaster and structural damage so extensive that it is almost certain to persist whether or not the general remains in power. For years, administration policy has revolved around the notion of preventing the establishment of Cuba-like regimes in Central America. Wouldn't it be strange if that were what emerged, with the help of U.S. sanctions, in Panama?

- The Los Angeles Times.

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1958-1982

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

LEF W. HUEBNER. Publisher

JOHN VINOCUR, Exercience Editor • WALTER WELLS, News Editor • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor • ROBERT J. DONAHUE, Editor of the Editorial Pages • JAMES R. CRATE, Business/Financial Editor RENÉ BONDY, Depun: Publisher • ALAÎN LECOUR and RICHARD H. MORGAN, Associate Publishers • FRANÇOIS DESMAISONS. Circulation Director • ROLF D. KRANEFUHI., Advertising Sales Director • KOURDT HOWELL, Director, Information Systems

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France, Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698. Directeur de la publication: Walter N. Thayer.

Editor for Asia: Michael Richardson, 5 Camerbury Rd, Vingopore (S11, Tel.472-7768, Ttx RS56928 Managing Dir. Asia: Midsalm Glenn, 50 Glouester Road, Hong Kong, Tel. 5-8610516, Telecc 61170 Managing Dir. U.K.: Robin MacKitchon, 63 Long Acre, Landon W.C.2. Tel. 836-4802. Telex 262009 Gen. Mgr. W. Germany: W. Lauterbach, Friedrichur. 15, 6000 Frankfurt M. Tel. (059) 726755. Ttx 416721 Pres. U.S.: Michael Cauru, 850 Third Are, New York, N.Y. 10022. Tel. (212) 752-3890. Telex 427175 S.A. au capital de 1.200.000 F. RCS Navierre B 732021126. Commission Participe Na. 61337 0 1988, International Herald Tribune. All rights reserved. ISSN: 0294-8052.



OPINION

How to Cure the Budget Deficit With Social Security

WASHINGTON — Washington is grad-ually waking up to the fact that the budget deficit is about to be carred, without anyone raising a linger or a tax.

The savior is Social Security. The payroll tax

is just beginning to generate a huge cash surplus. In 1988, for example, the pension program will take in \$40 billion more than it doles out. By the early '90s the surplus should hit \$100 billion a year. By the mid-'90s it should exceed, and thus wipe out, the budget deficit.

There is more. Early in the next century, when the inflow of Social Security funds from working baby boomers peaks, the Social Security Trust Fund will generate trillions of surplus dollars. The country can then begin retir-

plus dollars. The country can then begin retur-ing old debt, such as that being run up in the Reagan supply-side party of the '80s. By 2010, the United States should be debitess.

Why is there no general rejoicing? Why are people wringing their hands and politicians campaigning against the deficit that ate, or is about to eat, the economy? Because the Social Security surplus is not supposed to be used to pay off debt. It is supposed to be put away for a rainy day — a rather predictable rainy day around 2020 when the baby boomers begin retiring and the whole picture is reversed:

Instead of paying hugely into Social Security, this mighty mass of future Sun City golfers will begin rapidly drawing down the trust fund. Unless it is padded during the next 30

years, the trust fund will be bankrupted during the subsequent 30 years.

That is the point of generating and storing big Social Security surpluses. If the chestnuts

are frittered away to offset deficit spending, when the boomers retire they will be faced with two dire choices: drastically cutting their retirement benefits or drastically increasing taxes on their children, tomorrow's workers.

But there is a third alternative, which finesses all the problems: Raise the retirement age - not for today's retirees, but for baby boomers retiring 25 years from now.

There is a curious lacuna in thinking about

retirement. The Social Security system has been indexed for inflation, adjusted for fertility, adapted to everything except biology. Peo-ple today live longer and in far better health. The fixed retirement age is not just a waste of human potential, it is an anachronism.

When Bismarck created the West's first oldage pension system in Germany a century ago,

By Charles Krauthammer he picked 65 as the retirement age. The choice

was as cunning as it was arbitrary: Hardly anyone made it to 65 then. When Franklin Roosevelt created Social Security 50 years later, median U.S. life expectancy was 63.7 years. The average retiree was already dead.

Of course, the relevant number is not life of course, the relevant number is not me expectancy at birth but at retirement age. In the late 1930s those already 65 could expect to live a further 12 and a half years. In 2020, life expectancy at 65 will be 19 years.

The Social Security reform of 1983 began to the social Security reform by the social security reforms by the social security reforms by the social security reforms of 1983 began to the social security reforms by the social security reforms of 1983 began to 1984 be

take account of the changed biology, but timidly. It mandated that between 2000 and 2022 the retirement age would rise from 65 to 67. A start, but not enough. Raise the retirement age for baby boomers to 71 and they will still enjoy more years (two and a half, on average) of pensioned retirement than did the first Social Security retires. (In 2020, life expectancy for those already 71 will be 15 years.)

That would go far toward solving the budget problems, today's and tomorrow's. Deferred retirement is a powerful means of keeping Social Security solvent. Keeping a four-year cohort (aged 67-70) working instead of

crocheting has a double effect: The Social Security system pays out to between 20 and 25 percent fewer pensioners, and the trust fund continues to collect payroll taxes from

hetween 5 and 10 percent more workers. The beauty of this idea is that it affects no one on Social Security now; indeed, no one over age 43. Delaying retirement in, say, the year 2010 is purely a contract of baby boomers

with themselves. It says the following: beyond our means. To close the budget gap and not saddle our children with a huge debt, we dedicate the current and future surplus from the Social Security tax to balance the indget. When happens when we retire? We're not some That stocks Social Security tax to batance the budget. What happens when we retire? We're not going to ask our children to pay for that, either. We're going to pay it off ourselves. We will work it off, not by some kind of national service but by working for ourselves (the "Me Generation" likes it better that way) for an extra, say, four years.

The baby-boomer social contract would be the service of the say.

는 . 조합조를 출출 .

4875

100

ु क्त अ**ब**

4 AFR

. Fare

- (*** * - 4

1 50 BY#

.

and the background

- - - - **MA**

L. Black Albert

, alana

=0+14401<u>=</u>0

ST. N. LANDON

. . . .

S. S. Sher

ug ≪e 1 Sep

- M

1.1 1.1 1gt 🖟

in and the second

1.00

ু ক্রিক প্র

5 770 (20) 5<u>8</u> 28 (6 7) 11 **35** 40

Address of the

Car Secretar

n ngring. Lid on Lampie

and the state of t

Book poor

36.3

10 mg

.

4.7.34

11 12 12 14

make not just accountants but moralists hap-py: After six decades of excess, the "Me Generation" finally gets serious and works off its debts. This is more than good economic policy. It is poetic justice.

Washington Post Writers Group,

Say Goodbye to the Cold War

MOSCOW — A statement by Ronald Reagan in the St. George Hall of the Kremlin to the effect that he and his wife see Mr. and Mrs. Mikhail Gorbachev as their friends may be taken by some as just an emotional feeling, natural for a person taking leave of kind

hosts. But that is not so.

The chief outcome of the Moscow summit has been the fading away of the Cold War with its bitterness, suspicion, accusations and counteraccusations, and unpredictable extremes of temperature as relations between the two countries were exposed either to heat or to cold.

A normal dialogue has been established. There is regular discussion of all items on the Soviet-American agenda — from measures to

Transfer of all Soviet

foreign policy to the footing of new political thinking is an integral part of perestroika. A new road has offered itself.

secure steady progress in dealing with disarmament issues to honest comparisons of views on human rights. The stern, accusatory tones that were present in judgments by both Washington and Moscow have given way to normal human speech. allowing us to hear not only our own voice but also that of our partner.

Is that a lot or a little? I think it is very much indeed. Of course, the shadows of the past are still present in Soviet-U.S. relations and will continue to lurk, distorting the overall picture. But the new quality of dia-logue has already been born. Attention is beginning to focus not only on negative things that have accumulated in Soviet-American relations and that we must get rid of but also on the search for areas of cooperation.

During the visit, as I met with foreign colleagues, I often heard them ask how important the success of his meeting with Mr. Reagan was for Mr. Gorbachev in the run-up to the 19th party conference, in light of endless talk about differences within the Soviet leadership.

How can this be answered? I think differences are being much exaggerated. Society, the party and the leadership are engaged in debates, often heated debates. Different points of view are voiced on ways, forms and depth of changes needed by society. But the perestroika option is never challenged, at any rate as far as mem-

bers of the leadership are concerned. Transfer of all Soviet foreign policy to the footing of new political thinking is an integral part of perestroika. So progress in perestroika is also measured by changes on the in-ternational scene. But perestroika is

N EW YORK — Everyone knows that the Reagan administration's policy in Panama has been a humiliating failure. Billed as

a sure way to blow General Manuel

Antonio Noriega out of Panama, it entrenched him and made the Unit-

What is not generally known is that before the administration be-

gan huffing and puffing last Febru-

ary, there was a quiet Latin Ameri-

can approach that might well have

got General Noriega out. It was undertaken by three former

presidents: Carlos Andres Pérez of

Venezuela, Daniel Oduber of Costa Rica and Alfonso López Michelsen

of Colombia. They went to Panama

on Feb. 13 and spent the day with

General Nonega, urging him to

leave the country voluntarily.

The previous week a U.S. grand

jury had indicted him on charges of

drug trafficking. The three visitors

told him that his continued leader-

ship would not serve Panama's inter-

At the end of the day, General

Noriega said he agreed. He would leave by the end of the summer, he

said. First there should be a dialogue

with the opposition, and a date set

for elections; then he would resign as

military commander. The three Lat-

in leaders left with confidence that

Four days later, on Feb. 17, the

U.S. assistant secretary of state for

inter-American affairs, Elliott Ab-

their mission had succeeded.

est, Central America's or his own.

ed States look ridiculous.

By Nikolai Shishlin The writer is deputy chief of the information department in the Soviet Com-munist Party's Central Committee.

above all a Soviet internal affair. Its success or failure will be determined by changes inside the country. Movement toward the new model of genu-inely democratic, socialist society is gaining momentum. The forthcoming party conference is called upon to step up this progress through democratization on a wide scale both in the party and in the whole of society.

Frankly speaking, the summit has been only partly relevant to this great event to take place in Soviet life this month. But failure of the summit meeting might have caused deep disappointment. The positive results of the Soviet-American dialogue at the highest level are a great plus for the party leadership. All the more so since issues of war and peace are of

immediate concern to Soviet people.

I will not risk saying that in the months remaining before a new occupant appears in the White House there is a guarantee that agreement on a 50 percent cut in strategic offen-sive arms can be reached. But it is certain that participants in the Geneva talks (these negotiations will resome soon) may travel most of the Gorbachev-Reagan meeting. The impulse for it is there - the

treaty on the elimination of interme-diate- and shorter-range missiles that in particular among youth. has entered into force.

The Moscow meeting has opened up good opportunities for stepping saying goodbye to the Cold War up talks on the prohibition and abolimay prove to be a protracted protion of chemical weapons and also on cess. But a new road has offered eliminating asymmetries in NATO itself. Let us move on. and the Warsaw Pact arms, to be

followed by deep reductions in arms and armed forces in the extensive zone from the Atlantic to the Urals. There is confidence that we are on the threshold of completing work on additional measures for verification

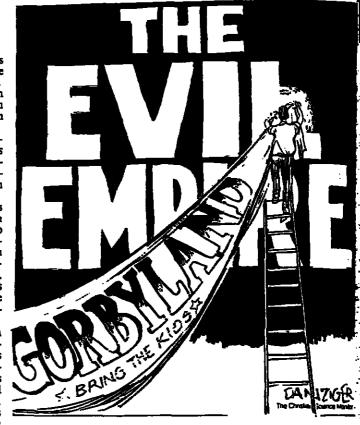
of nuclear weapons testing. In Moscow, Mr. Reagan familiar-ized himself with the city and its residents, while Soviet people got acquainted with him. No other American president has received so much

coverage on Soviet television.
It looks as if the acquaintance has been mutually pleasant, although the list of those invited to Spaso House for Mr. Reagan's return dinner did not include academician Georgi Arbatov, director of the Institute of the U.S.A. and Canada, while a former Gestapo agent was included among the guests in the residence of the American ambassador in Moscow. Such is the story.

Could more have been achieved in terms of mutual interests? Theoretically one can say that the summit's results could have been more impressive. But Mr. Gorbachev at his press conference justly observed that politics is the art of the possible. So we should not provoke God's wrath: Soviet-American relations have been put on a good road. . Looming on the horizon are an

approach to a kind of interaction to way toward the agreement and — overcome regional conflicts; a better who knows? — perhaps the entire understanding of the character and road. Then we will witness a fifth problems of the two societies; development of cooperation in many fields, from outer space to medicine;

Many disagreements remain be-tween the U.S.A. and the U.S.S.R.



A Holier Russia May Not Be Good News

It was the cause of Holy Russia that helped Stalin to win the fight against Hitler, just as it helped Alexander I to win against Napoleon. Now it looks as il.

Mikhail Gorbachev may intend to tap the same kind of neo-religious, patriotic. Slavophile emotions. If this means more freedom for Christianity, this must be: good thing for Russians. But the rest of the world would do well to remember that the Russian Orthodox Church has never been in the least democratic or ; pacific; rather less so, as it happens, than is the Communist Party.

A greater degree of influence for the Church in Russia might make that

country even more autocratic and charvinistic than it is today, by releasing forces deep in the soul of the Russian people which communism has never beer able to reach in peacetime, let alone harness. Western Europe might have every on to find a Holy Russia type of foreign policy even more w present Soviet type of foreign policy aimed at world revolution.

- Peregrine Worsthorne in The Sunday Telegraph (London).

Confused Messages Through the Iron Curtain

POTSDAM, East Germany — The annual meeting of the New York-based Institute for East-West Security Studies took an afternoon off from a heavy schedule of speeches

to remind us where we are. The visit to Frederick the Great's ambitious reproduction of Versailles Palace here was a glimpse of the old. cosmopolitan, aristociatic, bellicose

Europe. That is long gone. Nearby is Cecilienhof, the reproduction of an English country man-or, where Stalin, Truman and Churchill met at the end of what may have been Europe's last war.

That 1945 summit of victors, fol-lowed so soon by the Cold War, was also long ago, and yet it remains oppressively present. So much and so little have changed.

The Cecilienhof garden, built on the shore of the Wannsee, is cut off from Berlin's pleasant lake by a concrete and wire barrier. It is part of the infamous wall that cuts the west-

Going It Alone and Looking Foolish

By Anthony Lewis

rams, met in Miami with the presi-

dent of Panama. Eric Arturo Del-

valle. He encouraged Mr. Delvalle,

who had been put in the job by

General Noriega, to turn on him. On Feb. 25, Mr. Delvalle moved

against the general, announcing his dismissal as military commander.

Mr. Delvalle was quickly hoist with his own petard. The next day the

Legislative Assembly voted him out

of office, and General Noriega in-

The Reagan administration then

moved into the highly publicized

phase of its campaign to remove the

general. It imposed drastic econom-

ic sanctions. It took the position

that Mr. Delvalle was still presi-

dent. There was much boasting.

Mr. Abrams said on March 27 that

General Noriega was clinging to

power "by his finger tips."
The result was humiliation. Secre-

tary of State George Shultz had said

that the idea of quashing the drug

General Noriega to leave was "out of

the question." But the administra-

tion ended up offering exactly that

deal -and having him him reject it.

of Elliott Abrams & Co. need no

comment. But we can see now that

they were worse than stupid. By tak-

ing unilateral U.S. action, they

wrecked the promising initiative of

The vainglory and incompetence

indictment in an arrangement with

stalled a substitute.

ern side of the city from the east and carom as "a loose cannon" on the

from the surrounding countryside.

Nobody foresaw such a thing dur
That was new, and rath clanging down all across Europe.

there, even though the world has shrunk with technology that can poke yard or send an instant message any-where. U.S. and Soviet troops still "The next best thing is also a best face each other across the line drawn thing," answered the Russian.

But if it isn't really "new thinking." against the German Reich.

spoke firmly of the need for "special measures" to keep the Americans in about "dissolving blocs." Mr. Gorba-Europe: of the importance of "anchoring" the United States in the old contineat so that it would remain responsiis as yet no architect's design, no move ble for keeping the peace here and not

Abrams met Mr. Delvalle in Miami

on Feb. 17 and encouraged confrontation with General Noriega, he ef-

fectively put the quiet approach of the three ex-presidents aside.

Later there was another round of

U.S. folly. On May 18, President Oscar Arias Sánchez of Costa Rica

and others asked Archbishop Mar-

cos Gregorio McGrath of Panama

City to join them in another at-tempt at mediation with General Noriega. The archbishop talked first with figures in the Panamanian

opposition —and they said that the U.S. Department of State had told

them not to get involved. Why has the Reagan administra-

tion given the back of its hand to

One reason is machismo: a desire

to look strong, to prove that Washing-

ton can bring down the bad guy by itself. That motive was no doubt fed

by concern that the administration's

years of playing footsie with General Noriega would haunt George Bush

Another reason is contempt for

Latin American political leaders.

Mr. Abrams seems unable to talk

with them on equal terms - or,

Some of those Latin leaders are

still trying to mediate in Panama.

Maybe this time the Reagan admin-

istration will decide that results are

The New York Times.

more important than posturing.

Latin mediation efforts?

in the election campaign.

more important, to listen.

By Flora Lewis

That was new, and rather surprising the Potsdam summit meeting, ing. There have been signs for some but it was only a year later that time that despite all Moscow's efforts to Churchill warned of an iron curtain unravel U.S. ties with Western Europe, basic Soviet policy prefers to have Now the curtain has vents. But the America here as guarantor. "I always barrier and the antagonisms are still supposed," said an influential West German, "that Moscow believed the best thing was to have Soviet troops in a camera's eye into anyone's back- Western Europe, but the next best

re their warnine encounter as aines gainst the German Reich.

At the conference, a Soviet delegate poke firmly of the need for "special to say so unclaimed by the say of the say chev has launched a program for a "common European house," but there to demolish the dividing walls. He insists on "realism" and hardheaded bargaining, voicing his suspicious and reserves, and he projects a "nuclearfree world" by the year 2000 and "no use of force" by nations.

The bloated old rhetoric and the candid new analysis come in spurts, sometimes from the same individuals. Colonel General Nikolai Chervov. the Soviet general staff's principal arms control authority, startled Westerners here in the morning by a crisp, no-nonsense discussion of how to approach conventional arms control in Europe, followed that same

evening by a windy, self-serving old style harangue on the same subject.
"I thought I was hearing two dillerent neonle." said a Frenchman ent people," said a Frenchman.
It is harder now to sort out Sorie

lies and Soviet probes, Soviet propa-ganda and Soviet proposals than when everything came off the same time) record. There are few 100-percental now, all distortion or all candor. And it is often unclear how much of it #: the speakers delude themselves, how much they don't really know.

The first Soviet citizen I ever met.

was a military doctor who had come: to Washington during World War II:
to arrange for the delivery of supplies. He was a solid block of wood: no human give. After a number of people like that, I began to wonder whatever happened to the Russiani that Tolstoy, Dostoyevsky and Gogoltold us about. Had they all died out. or emigrated to play in balalaika (55: taurants? Had Stalin really created a new Soviet man, as he boasted?

It wasn't until I visited Moscow in 1957, after Nikita Khrushchev's de-Stalinization speech, that I realizad-I had been meeting people perified by fear. They were not different Russ, sians, just frozen into a commanded stereotype. The melting now is coming unevenly, uncertainly. You can't be sure what to expect. But it is easy to understand how hard, how be-dering it must be for them, having had to take so many lies for granted.

The New York Times.

100, 75 AND 50 YEARS AGO

1888: Labor Protection?

PARIS - The Chamber of Deputies yesterday [June 12] resumed the debate on the Bill for the Protection of workmen in factories. Mr. Frederic Passy, replying to the brilliant speech made by Mr. de Mun yesterday, disputed the assertion that the working class needs state protection. He declared that, however humanitarian they might fancy themselves, the Catholics and Socialists who voted with Mr. de Mun on Monday were unfaithful, both to the spirit of Christiamity and to the Revolution.

1913: Bears in Panic

NEW YORK - There was panic among the bears today [June 12] when they tried to repurchase and found that stocks were not for sale. The result was a rise ranging from five points in Union Pacific to more than eight points in Canadian Pacif-

morning's announcement that we Washington Administration ready to issue emergency currents Act of 1908. Not a dollar of the currency has ever been issued, and the heavy tax imposed would make it available only in serious emergency.
Bankers are puzzled to know why this announcement was made at this time.

1938: Germans in Chins HANKOW - Members of the Ger

man military mission to China were

strictly ordered to avoid Japan route home to Germany. Twenty Nazi advisers to Generalissima. Chiang Kai-shek left today June [2] for Berlin, while General von Krommacher left for the United States, vis.

Australia, for a nation-wide lecture tour. About a dozen non-miliary technical advisers are remaining in China. The Chinese report that 60 Japanese warships are shelling fornitations halomatical advisers are shelling fornitations. ic. In the popular imagination, some cations below Nanking in readings influence was attributed to this

هكذاص الممل

Security 7 as to collect payroll be

FOCUS

of this idea is that if il Security now inde Delaying retirement surely a constact of behi ves. It says the following

ir children with a high urrent and Julier Supply ty tax to balance the land we retire We re no boat o pay for that, either Web.

"Me Generalism" blos

on extra sin, lour man poomer werd confid

t accountant, but modale

x decades of creat for

finally gets school att.

This is never than gooden

agion Post 13 riters Group

Not Be Goodle

alped Stalin to win the fate

against Naroleon Naute

same kind of novicheous

edom for Christianity, the

e world would do will be

ever been in the least down

Church in Rossi multid

nistic than it is today be

le which communism have

is. Western Lurope mghtis

a policy even more worker Lat world revolution.

a The Sunday Telegraphile

n Curta

rening by a windy, where

yle harangue on the ages

i thought i was hearnige

it people," and a freshe

as and Soviet probactor

inda and Sauci proposite

recything came of the #

cord. There are less like

w. all distortion or all and

is often unclear her mir

cliberately muslcading le

ie speakers delinte dende

uch they don't really be

The first Seviet cuited's

as a military doctor state

Washington during Week

arrange for the deher's

human gate Aftet 18

copie like that I becare

hatever happened to the

at Tolster Bustovedis

emperated to play in the urants? Had Stalin resher

by Sevict man as below.

It wasn't until I visit by

To after Nikita khuda

alimanton speech that is

had been meeting people fear. They were not diffe.

g unevenis uncertaint

ed to take so many he his

an militare mission k

ari advisers to

figure out where the fit

is the Communist Part

octic justice

The Scramble For Thai Stocks

Bangkok Boom Book Clab Index. End month levels.

tiny exchange offers a textbook case in how foreign money can transform an out-of-theway market. With foreign investment firms channeling hun-dreds of millions of dollars of new money into the Bangkok exchange through a vari-ety of funds, Thai offi-cials are paving the way for dozens of new

The burst of activity fised fears that the exchange, up nearly 50 arising the first of year, will boil over. Volume trest quarter, a befty \$2 billion, was not only the quarterly figure on record, but easily exceedal turnover in each year since 1978.

the underlying concern about the fact that the sket has gone up too high, too fast is valid," says othy McKenna, a Jardine Fleming Securities meatment analyst. "However, existing supply con-mints, and the weight of new funds should support market and limit the downside risk for long-term

indeed, the dearth of quality investments is be-coming the biggest headache for investors. At the end of last year, Mr. McKenna observes, the 10 largest measured by market capitalization, repcompanies, incasured of total market value.

get 55 percent of total market value.

Sin market is not as broad-based as Hong Kong,
Example," Mr. McKenna says. "So, although
is a lot of new money coming in, most of it is
ing the same slice of good-quality shares." Moreover, the exchange imposes a ceiling on for-eign registered equity. Depending on the sector, list-ed companies may earmark only 25 percent to 50 percent of their total public shares for foreign inves-

tors. Not surprisingly, these shares command a pre-mium over the same company's ordinary shares. According to official estimates, about 12 percent of total listed shares are in foreign hands, but analysts say the actual figures is much higher because foreign investors also purchase ordinary shares through local

O HELP deepen the market, the Stock Ex-change is urging more Thai companies to seek listings. About 20 companies with a combined registered capital of \$240 million are scheduled to list in 1988. These include three state entities, Thai Airways International, Bangchak Petroleum Co. and Thai Oil Refinery Co. Another \$240 million in funds will be raised by existing firms in the form of capital

increases, the exchange says.

Though fads in small Asian markets come and go, there are some fundamental factors behind the infat-uation with Thai stocks. The Central Bank estimates that the economy will grow about 6.8 percent in 1988, while some private economists forecast 7 percent or

Thailand's particular strength rests in one of the most diversified economic bases in Asia. Agriculture and manufacturing contribute almost equally to gross domestic product. Unlike most of the developing or newly industrialized countries of Asia, Thailand pursued regional trade and avoided building up a heavy export dependence on the United States. The Bank of Bangkok estimated 1988 export earnings at \$13.7 billion, below the 1987 year-on-year surge of 29.3 percent, but still 15.3 percent above last year's \$12 billion.

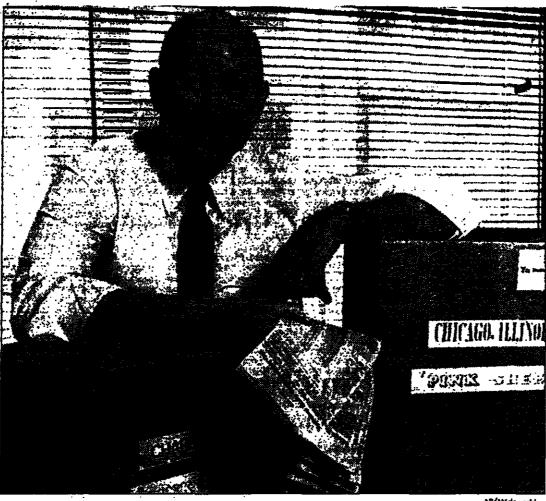
The only negative is a growing trade deficit. From \$660 million in 1986, it soared to almost \$1.8 billion last year, and is projected to exceed \$2 billion in

1988. The gap can be traced to heavier imports of capital goods and energy products.

With investor interest running high, this year has seen the launch of a spate of funds specializing in That stocks. The first came in February when Morgan Stanley Asset Management listed its That Fund on the New York Stock Exchange, which trades at a stiff 45 percent premium to its net asset value. Several London-traded funds were introduced in the spring. including the Thai-Euro Fund, organized by Lloyds Bank Fund Managers, the Thai Investment Fund, underwitten by a group led by Yamaichi International, and the Siam Fund, managed by Banque Indosuez and Baring Brothers.

Several Japanese companies are said to be preparing Thai funds for launch during the spring and summer. Nikko Securities plans to establish a \$50 million Tokyo-listed international trust fund to invest in Thai equities, while Yamaichi Securities is reported to be seeking approval to underwrite another \$40 million fund.

Coleen Geraghty



David Burnett of the National Quotation Bureau with boxes of pink sheets ready for shipment.

Plunging Into Pink Sheets

Shadowy area of the OTC market faces changes.

By Cynthia Catterson

New York YNAPAC Inc. looked like a hot prospect in 1984. Particularly alluring to inves-tors was the \$2 million in diversified assets that the investment included such ventures as a gold mine, a television game show and shares in a partnership developing an electronic

folding sofa bed_ After trading for just pennies a share prior to a company reorganization during the summer, the over-the-counter stock climbed to \$4 by December. Two months later it was trading at \$8 and was one of the most actively traded OTC stocks. It had all the makings of a remarkable success story. That is, until the Securities and Exchange Commis-

sion became suspicious. After closer scrutiny the SEC said the company's assets were, in fact, worth a fraction of what had been claimed Investigators said that the gold mine had negligible gold deposits and that Dynapac had no commercial rights to the sofa bed. And the televised game show? "We have no proof that it got much beyond the conceptual stage," recalls Daniel Harris, chief of the SEC's regional office in San Fran-

Instead, the SEC charged that members of Dynapac's management swin-dled more than 4,000 investors with a wealth of lies about the company in press releases, articles and promotion-al packages in order to sell their shares at inflated prices. Trading in Dynapac was suspended in 1985; Dynapac's managers pleaded no contest to the SEC charges. Regulators say such abuses are per-

vasive among the 11,000 stocks that trade through the so-called pmk sheets, an informal term commonly used to

describe a shadowy segment of the OTC market in the United States.

and thinly traded, they are extremely vulnerable to fraudulent practices.

Price manipulation is not uncommon.

market-makers trading a stock, says Terry Freeman, publisher of the Na-tional OTC Stock Journal, the spread

between the bid and asked price --- the

difference between the price at which

an investor sells shares buys shares -

can be so prohibitively wide that it is virtually impossible for investors to

realize any profits.
"In a 3-cent bid, 9-cent ask quote.

Continued on page 8

With sometimes as few as one or two

The name is derived from a salmoncolored directory, published by the National Quotation Bureau in Jersey City, New Jersey. It is a widely recognized source for daily price information on what best can be described as a third-tier market whose stocks do not qualify for the National Association of Securities Dealers' computerized OTC

market, Nasdaq.

Although the pink sheets now number 400 pages a day, the stocks that they contain are largely ignored by big brokerages and institutions. Some of them trade as infrequently as once or twice a year. Still, it is precisely this lack of interest, analysts contend, that can create opportunities for investors willing to study the market.

nefarious activities that characterize the market, the NASD recently announced plans to tighten regulations to create a safer environment for investors. Beginning this month, marketmakers must report daily information about price, volume and any significant trades among the pink sheet stocks directly to the NASD.

There are plans eventually to make the information available electronically on a system tentatively dubbed the OTC Bulletin Board. "There are so many manipulations in this market, something had to be done," says Mr.

Reforms are long overdue. Ever since publication began 75 years ago, the pink sheets have been full of speculative issues and they remain crowded with penny stocks and what many bro-kers dismiss as "garbage stocks."

The requirements for a listing are hardly demanding. Market-makers who want to publish stock quotes fill out an application containing basic information on the company's objective, number of shares outstanding and the price. The information is then forwarded to the SEC. If the agency raises no questions within 48 hours, the company is listed.

David M. Burnett, president of the National Quotation Bureau, admits that his firm makes no value judg-ments. Market-makers pay \$7 a month to list a maximum of 10 stocks. Sub-scribers pay \$46 a month. Many of these stocks are so small

Bonds: The Gains Are Proving Elusive

Best returns for the rest of 1988 may come in fringe markets.

By David C. Lanchner

OND investors who keep score in dollars can be forgiven their nostalgia for 1987. That was the year when picking any bond in a major currency other than the dollar insured annualized returns of 20 percent or more.

Gains have proved more clusive this year. In the first five months of 1988, U.S. government bonds have returned a scant 22 percent, taking into account interest payments and the movement in bond prices.

Figured in dollars, the total returns in most

other major bond markets were in the negative column, ranging from a 0.77-percent loss on Jap-anese securities to a steep 7.77-percent setback for West German bonds. Holders of Swiss franc bonds in the five-month period found a 10.9percent dent in their portfolios.

The humbling experience of the first half has buttressed the pessimism of bond bears. They see

an unhealthy process in which the virus of quick-ening U.S. inflation inexorably spreads to other economies, pushing world interest rates higher and depressing bond markets. A key reason the infection will spread, they say, is central banks' determination to keep interest rates stable. "Central banks are committed to stabilizing

exchange rates, and that means inflationary pres sures in the United States are transmitted more easily to foreign markets," says Lawrence Kreicher, an international economist and bond strategist at Merrill Lynch.

This bearish scenario of higher interest rates and generally stable currencies has put the spotlight on some second-tier bond markets where current yields are high and the local currency is healthy. In these conditions, Australian bonds, already up 17 percent in dollar terms in the first five months of the year, could well end up the best-performing sector in 1988. Some investors like France, where monetary policy has some

room for easing.

Overall, though, the bond bears worry about the inflationary fallout from rises in commodities prices. The Commodity Research Bureau's futures index, a closely watched burometer of inflation pressures, is up about 11 percent since the first of the year.

As commodities prices rise, the costs to manufacturers tend to go up, as do the costs of goads and services. These price increases eventually show up in higher U.S. inflation rates.

In such a situation, holders of dollar securities would either self them or demand higher interest

payments on their currency holdings. Thus, interest rates have moved higher in the United States, which has helped keep the dollar stable.

But there is another side of the equation. Be-cause commodities are typically priced in dollar-a fall in the U.S. currency would insulate West German and Japanese firms from the effects of the higher commodities prices. But with the dollar held stable, they face the same inflationary pressures as U.S. companie:

A series of policy flip-flops since last October's stock market crash has complicated the picture. Following a U.S. lead, Europe and Japan cased credit to head off a possible recession. By February, it became clear that strong economic growth continued, and pre-crash fears of inflation returned. The return of inflation jitters brought higher interest rates in the United States, Japan and Germany.

But not every country lowered interest rates France, for one, adhered to a right monetary policy in the wake of the crash, its currency has dated strongly against that of West Germa-

Continued on page 9

Yields Three-year government bond yields **New Zealand** 13.63% 12.12% Australia 9.36% Canada 8.85% **United Kingdom** 8.40% **United States** 8.23% France **West Germany** 4.97% 4.01% Japan Source: Merrill Lynch, May 31

 V intage selection. Year after year, we help you build for the future with a careful selection of investment opportunities.



ans, just frozen me and erective. The melang are sure what to expect for understand how hash UPDATE ring it must be for he

re our where the part of the p

YEARS 160 NVESTORS are having second thoughts about new cloud a second Although new issues continue to prolifashington and the same process of the same pro winded for he the holes shall by investors end up trading at a discount of the local state of the state of th et of look and her weeks.

c heavy the improved. The phenomenon occurs with such regularial able only in the large to that the Securities and Emphenomenon regulariance. The phenomenon occurs with such regulari-nilable only if the state of the state of the securities and Exchange Commis-inkers are published to have a decided to look into the matter, incurrement with matter. incurrement with made public for another month, many analysis feel that the results could be a supplied to a suppl 938: (***Tillable proof for another month, many analysis (***Tillable passes for the results could lead to new passes of the passes of the results could lead to new passes of the results could lead to new passes of the results of t

an militare mission was the standard of the standard of the standard of the standard of the standard warning: this investment may be mang Kan sheet left had dangerous to your wealth," says Norman specification of the Institute for Econo-

acher left for the land partie Research, a Fort Lauderdale newsletinstralia. for a land partie publisher.

The Brazil Fund is a good example of the
straical subset of the strain of the strain. The chinese of the
strain. The chinese of the strain parties with partie to the
strain. The chinese of the strain parties with his experts
strain. The chinese of the strain parties with his experts
strain to the strain of the strain of the
strain to the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the strain of the
strain of the strain of the
strain of the strain of the
strain of the strain of the
strain of the strain of the
strain of the
strain of the strain of the
strain of the
strain of the strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of the
strain of
strain of the
strain of the
strain of the
strain of the
stra



premium to its net asset value. Two months later, it was trading at \$9.50, an 18.24 percent

This is hardly unique. A 1987 study conducted by John W. Peavy, a professor of finance at Southern Methodist University in Dallas, shows that the average loss to inves-tors on closed-end funds within five months of their initial offering ranged from 8.7 per-cent to as much as 13.7 percent.

Kenneth Lehn, chief economist for the SEC, says the commission's study will focus on initial public offerings dating back to 1985. Last year, 35 new closed-end funds raised a total of \$11 billion in the marketplace. So far this year, 24 funds have raised \$10.3 billion. Analysis say part of the problem stems

from underwriting fees, which average about 7.5 percent. This is similar to fees on conventional stock offerings, but analysts contend that the costs underwriters face in marketing funds to the public are much lower. Still, the charges are deducted from the capital raised at the offering. As a result, a fund that debuts at \$10 a share really has a net asset value of only \$9.25.

"If the markets are just reasonably efficient, the funds are going to drop by the underwriting fees," says Mr. Peavy. Moreover, critics contend these underwrit-

ing and brokerage costs are not fully disclosed to new investors, who often believe closed-end portfolios are much like no-load funds. The fee formation, they point out, is included in the final prospectus that the investor gets after the initial public offering.

"It's really a misnomer to say it's a no-load.

1 believe this is what the SEC's concern is, at least partly," says Eugene L. DeStaebler Jr. of the Investment Company Institute in Wash-

Bruce Hager

If you maintain substantial international investments, you will find the assistance and personal attention you need at Merrill Lynch.

As our client, you will have the benefit of over a hundred years of experience as well as our full range of financial expertise and services.

You'll also have a Merrill Lynch Financial Consultant who'll work with you to establish a relationship that develops and matures over time. Your Financial Consultant will

become thoroughly familiar with your long-range objectives and help you fulfill them with investments of quality and stability.

Merrill Lynch, with 27 offices in 16 countries throughout Europe and the Middle East, can help you build and maintain an important selection of long-term investments. For more information about our investment and private banking services, call one of our offices or return this coupon in complete confidence.

Return this coupon to: Mr. A.J. Nemeth MLPF&S Limited Ropemaker Place 25 Ropemaker Street, 8th Floor London EC2Y 9LY Telephone: 01-867-2419 E 1988 Merrall Lanch



Your Oxford

For three days this September, world business and academic leaders will meet at Oxford. You should be among them.

The occasion is the fifth annual International Business Out the Inscriptional Herald Tribune and Oxford Analytica Ltd. The state its, in small seminar groups, participants will review the content possible stapping the global business climate. At the same time the Conference offers periods of quiet telescone The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt.

The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt.

The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt.

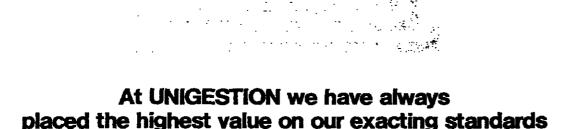
The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt.

The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt.

The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt.

The closing banquer, at Elenheim Paller, will lit addressed by Plantin Schmidt. here has after been more important. We hape you can smeak Clip your card here. For information please send your business card to: The International Business Outlook Contenence International Heald Talburg & Long Acre, London WCZE9JH Td: (441) 379 4302 Tdex 262009.

> After the crash of October 1987, are you sure you are on the right track?



The professionalism of our asset managemen

- A sophisticated and highly critical approach to risk assessment
- A thorough understanding and privileged access to all financial
- A maniforing and management of markets with the most up-to-date of modern technology

- With our own particular characteristics
- An independent shareholder
- A strong financial base
- Research studies built around our

And an investment strategy aiming to

- Take into account the overall economic environment
- made by non-residents are totally tax-free Anticipate major market trends and there is no with-
- Achieve mutually agreed client objectives
- Objective advice for asset management

Our achievements: • A controlled, consistent and solid business growth

- A success built around the performance of our clients
- The confirmation, following the stock market events of 1987, of our underlying principle: acceptance of only the most exacting standards



13. RUE 851107 - PO BOR 244 - 1211 GENEVA 12 - SWITZERLAND - TEL. 022/466464 - TELEX 427381 - FAX 022/461425

London: Playing the Shell Game

By Marybeth Nibley

HELL collecting is usually regarded as a casual pastime for a seaside outing. But within British financial circles, it has nothing in common with a day at

the beach.

A "shell" in this context is a company whose main business has all but died off, leaving behind in many cases a publicly quoted entity that appears to be worth little. In Britain, such companies are sometimes snapped up by entrepreneurs and financiers. Once occupied, the shell provides a base for the building a new business, often through a series of takeovers.

By starting with an existing quoted company, the purchaser of a shell bypasses some of the expense, complexities and uncertainties of founding a new enterprise, making a public offering of shares and obtaining a listing. "Corporate finance departments are always looking for shells" for acquisition-minded clients, says

James Capel & Co.

Shell situations can also pay off for investors, though it can be a risky game. One of the more spectacular successes in recent years was Acsis Jewellery, which has been used by Darryl Philippe a South African entrappreneur, as the hastlips, a South African entrepreneur, as the base for a budding empire. After Mr. Phillips arrived or a blodding empire. After Mr. Finings arrived on the scene as a major holder in Acis, its share price went from 18 pence in February 1987 to hearly £4 in July 1987, when the market peaked.

The October crash crushed the stock, and it traded on London's Unlisted Securities Market. It is such a being the target of a potential larger of a potential larger of a potential larger of the larger of a potential larger of the larger of a potential larger of the larger on the scene as a major holder in Acsis, its share price went from 18 pence in February 1987 to emains far from its year-ago levels, trading

Shells making news lately include Telemetrix. graphics display terminals. Sixty percent of its shares have passed into the hands of Altron, a South African electronics group, which intends to use Telemetrix as a vehicle for acquisitions and as a base for doing business in Europe.

Another company that recently has been tagged as a potential shell is Viewton Investigation.

ments, a securities firm controlled by Henry Clarke, an American businessman. Mr. Clarke is head of Ambrit International, a Londonlisted oil-and-gas company, and a U.S. company also dubbed AmBrit, which makes ice cream and chocolate products.

The practice of buying a shell through a lawsuit

recently around 80 pence. Still, Mr. Phillips has reverse takeover is considered a faster and usu proceeded with plans to expand the company, acquiring an employment agency in January and dropping the word Jewellery from the corway. A reverse takeover is when a group or individual places their business or investment

stake into a shell company.

To obtain a stock market listing, a company must usually show a five-year performance re-cord. Then the process of offering newly listed hundreds of thousands, even millions o

The "reverse" strategy does not eliminate all the regulatory hurdles. The Stock Exchange says companies using the method must meet the Oliver Jessel, a legendary figure in City of London financial circles, believes the practice gives a new operation a running start. "It's such a bloody musance going on the market in the normal way," he says. The most sought-after shell candidates have

Pink Sheets: A Free-Wheeling Third Tier

Continued from page 7

the stock will have to triple — gain 6 cents per share — for investors to break even," he says.

Unscrupulous dealers also are known to buy large quantities of a stock for themselves or preferred customers to give the appearance investors into what looks like a hot issue. Then the brokers dump the shares into the market, driving down the price, according to Mr.

"Brokers can make a stock move 50 percent, but for investors the wealth is only an illusion, be-cause the chances of selling high are remote," says Mr. Freeman. Only individuals that sell at the early stages of the stock's run up will be able to get their money out, he says.

Regulators applaud the NASD's proposal to monitor trading activity. It will be much easier to catch the people who are pumping the market once we have proof of price and volume," says Jack Kelly, associate regional adminis-trator at the SEC's Denver division. The Denver region has a high concentration of penny stocks because of Colorado's less demanding requirements for publicly-traded stocks.

Many professional dealers also favor the NASD's measures. But they are concerned about the impact of an electronic "bulletin board." When trading Pink Sheet stocks, market-makers often deal directly over the telephone to ar-range an acceptable price for what usually turns out to be a limited number of available shares

in Luxembourg.

I. Total confidentiality of

2. The benefits of being able

to open and operate an account in Luxembourg

without actually going

3. Investments and deposits

holding tax on interest

Luxembourg is a stable.

prosperous financial

European Economic

Mail this coupon for your PREE copy of "International and Personal Banking in Luxambourg" to

BANK OF CREDIT AND COMMERCE INTERNATIONAL S.A. 25 BOULEWARD ROYAL FO BOX 46

. ----

Name Address.

of Luxembourg.

investor's affairs by the laws

STOCK SECTION

National Daily Quotation Service "Pink Sheets".

When stocks are as inactive as the pink sheets, a quote may be six months old and not really reflect the value of a stock. Investors may not be able to execute an order for the price they see on the screen," complains Walter Carucci, vice sident at Carr Securities, an

OTC stock trader in New York. Furthermore, he says, investors may mistakenly believe that a company is more credible just because it is in the system. "Investors will still have to be detectives and find out about these companies," Mr. Carucci says.
Lawrence J. Goldstein of Santa

Monica Partners, a private investment fund, likens trading in pink sheet stocks to investing in real estate. "You can't just do everything in one day. You have to research the market and negotiate prices over time," he says. Investors who are willing to do some homework can uncover le-

gitimate values in the Pink Sheets, Well-known companies like Xe-rox, Toys 'R' Us and Doubleday were once pink sheet stocks.

Overnite Transportation is one

of Mr. Goldstein's favorite exam-

INTERNATIONAL AND

PERSONAL BANKING

Have all the advantages

LUXEMBOURG, without

To discover the advantages of banking in Luxembourg with BCC, all you have to do is to simply mail the attached coupon. We will promptly despatch to you by airmail our booklet containing detailed information about banking

Funds exceed US\$1,500 million and total assets US\$17,500 million. The Head Office and branch of the Bank of Credit & Commerce International S.A., in Luxembourg enable you to make full use of the unique advantages offered in Luxembourg which include:-

The BCC Group has offices in 72 countries, its Capital

of a bank account in

actually being there.

ples. He first came across the trucking outfit in 1960 when he was working at the Wall Street firm of Burnham & Co. and bought shares at \$3 a piece. Despite attractive fundamentals, he still had difficulty convincing his skeptical supervisors that any Pink Sheet stock was worth fol-

Many of these companies have attractive fundamentals, but for a variety of reasons, founders or owners want to retain control over company affairs. Consequently, they float relatively few shares. Edward McLaughlin, an investor who has traded these stocks for 29 years and is a widely acclaimed expert, says the best companies are those with less than 100 shareholders and between 10,000 and

company with only a few hundred or thousand shares available."

\$275 million Over-the-Counter

"It didn't matter that the comn than't marter that the con-pany was a bargain," Mr. Gold-stein recalls. "It wasn't listed on the New York Stock Exchange, so it wasn't considered institutional investment quality.

Overnite became big enough to gain a listing on the New York exchange and the company was eventually taken over by Union Pacific Railroad in December 1986. Mr. Goldstein's original investment, after a series of stock splits, was worth roughly \$2,422

For all the risks in pink sheet investing Mr. Goldstein insists that well-informed investors can get more value per dollar of investment in these stocks than any-where else. In that respect, he says, Wall Street's indifference to the pink sheets is a blessing. And the lack of institutional interest, he says, helped the pink sheet stocks make it through the October crash with hardly a ripple.

Betting on Anonymity

sheets are better known as a comprehensive list of penny stocks and are the scores of closely-held, asset-rich companies that prefer the anonymity of a pink sheet listing.

100,000 shares outstanding.
"In the esoteric areas that I look
at," he says, "there is a great discrepancy between the current value of the company and its true worth because few people know about the company."
Fewer available shares, howev-

er, means higher prices. Not only are these stocks often hard to come by, but they can sell for hundreds, sometimes thousands of dollars a share. Still, Richard Carney, manager of the GIT-Equity Trust Special Growth Fund. says such prices may disgnise a bar-gain. "Price per share doesn't mean anything if you don't con-sider the market capitalization." he says. "Penny stocks with a few million shares outstanding are worth less than a \$300-per-share

Binkley Shorts, manager of the

LTHOUGH the pink Securities Fund, says 20 percent of

his portfolio's assets are invested in Pink Sheet stocks. risky start-up companies, a big attraction to professional investors

St. Joe Paper, a paper mill operator based in Florida, is one of his favorite holdings. Along with a million acres of timberland and beachfront property, the company owns 50 percent of Florida East Coast Railroad and is one of the largest U.S. sugar producers. Its shares sell for more than \$10,000 a piece, but Mr. Shorts maintains that its assets are worth twice as

Another stock that Mr. Shorts likes is A.D. Makepeace, the largest cranberry grower in the world. According to Mr. Shorts, the com-pany is a key participant in the Ocean Spray agricultural cooperative, one of the most coveted brand names in the industry. At \$5,000 a share, he says, A.D. Ma-

kepeace stock is undervalued. One of Mr. McLaughlin's selections is Coal Creek Mining and Manufacturing, a company that owns roughly 75,000 acres (30,000 bectures) of land in Tennessee and Kentucky. The land has more than 400 million tons of coal and is considered to be the largest private holding of coal in Appala-

With the coal market lagging in the past few years, he says, it is an ideal opportunity to buy. The company sells for about \$125 per share according to Mr. McLaughhn, but has a market capitalization of less than \$16 million dollars. "It works out to be roughly 3 cents per ton of coal, which is a bargain in my opinion," he says.

Cynthia Catterson

The Value Line brings you HARD FACTS ON 1700 AMERICAN STOCKS

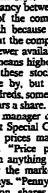
The Value Line Investment Survey covers more than 1700 American stocks, which account for over 90% of all dollar trading volume in U.S. equity markets. With The Value Line Survey, you have objective evaluations—updated every week—of just about any American stock that's likely to come to your attention.

Every three months, on a regular schedule, Value Line presents a new full-page report on each stock, packed with vital data, including 22 series of key operating and financial statistics going back 15 years and estimated 3 to 5 years ahead. Then, for each stock—every single week—Value Une updates the Price, future Performance and Safety ranks. Appreciation Potential, Yield, and estimated Earn-

This information will enable you to assess a stock's prospects based on hard financial facts. As a special introductory offer, you can receive 12 weeks of Value Lain from the past two years. As a BONUS, you will also receive the Value Line's 2000-page Investors Reference Service with the latest full-page reports on over 1700 stocks, together with the 72-page booklet, "A Subscriber's Guide". Send payment (no cash please) along with name and address together with this ad to Dent. 213813

The Value Line Investment Service

711 Third Avenue, New York, N.Y. 10017, U.S.A. Payment in local currencies (Britsh 1880, French 1575, Swiss Int 45, DM 1751 and requests for information should be directed to: Value Line, Att Alexandre de Saint-Phalle, 2 Ave. de Villers, 75007 Paris, (Tel. 45,51,63,58). Distributed by KLM Royal Dutch Airlines Publication Distribution Service Holland, Allow 4 weeks for delivery.



T is considered a laster to His Communication and the united to the food a licetima in the food a for a listing in the content takener is when a gas their business of bear all company stock market listing the low a five-year performance

process of offening with up legal and advant the thousand, even talk strategy does not change hurdles. The Shirt be-using the method mag equirements as any one a legendary figure a circles, believe a circles, believe a circles a running star and a circles nce going on the mark he says. ight-after shell candid s of cash and no hidden

ird Tie

eing the target of 1 to

'It didn't matter that & ly was a hargain " Mr. Il recalis. "It wasn't be New York Stock Endage vasn't considered insing estment quality. Nermite became big care a listing on the New F

hange and the companies of Shetland. ific Railroad in Des 6. Mr. Goldstein's anget ment, after a sens de BONDS ts, was worth roughly or all the risks in posts

if in these stocks that I Street's indifference a: hardly a ripple.

the coal market trees rates are likely to creep up ist few years, he says, as opportunity to bey any sells for about a according to Mr. McLE it has a market capitalis

than \$16 million delas out to be roughly least

coal, which is a hare

Cynthia Calter

nnion, he says

STOCKS overs more than 1700 over 90% of all dolls s. With The Value Lit

ions-updated eve stock that s likely ! ichedule. Value Lift ch stock, packed will

perating and imande stimated 3 to 5 years single week Salet ormance and Salet and estimated Earl

ssess a slock's pros is a special introduction of Value in the pros of Value Line for only bscription in the pas so receive the Valid so receive the Valid ice Service with the stocks, together with 5 Guide. Send par 5 Guide.

nent Service Y. 10017. U.S A

Dividends and Takeover Rumors Call the Tune

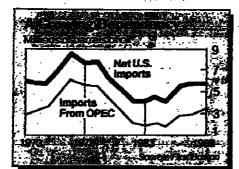
LTHOUGH analysts are eyeing the current OPEC meeting for adications that the cartel eventually can attain some kind of accord to reduce production, major oil stocks continue to be judged on short-term events that have litte to do with the the price of crude. Takeover rumors and future dividends

reining watched closely by oil analysis. The shout 5 percent for major oil stocks comid to 3.2 percent for the Standard & Page \$ 400 - was behind the rally in oil stocks

Sanford Margoshes, an oil analyst with Shearson Lehman Hutton Inc., also points out that institutional investors have generally underweighted international oil stocks in their portfolios. He argues that this will change hecause oil stocks have been outperforming the broader market

To be sure, most analysts say well-positioned oil companies will prosper because of an inevitable rise in oil prices as demand grows. And most point to a steady rise in U.S. imports, especially from OPEC members.

A BP platform, 175 miles north



as a clear signal that prices are headed higher.
"The odds strongly favor the long-term
mvestor," says Mr. Margoshes, "because as you look out farther, one can have a greater degree of confidence that oil prices will start to go up in real terms, probably around 1991."

In the meantime, Paul Ting, an oil analyst with Oppenheimer & Co., says oil stocks could heat up if the the market again leans

HE speculative buying that lift-ed the prices of North Sea explora-tion stocks after British Petro-

leum's acquisition of Britoil last

February has stopped. But investors have so far been reluctant to let go of shares in Brit-

Surging prices became common after BP paid £5 a shares to obtain Britoil at a time when it was trading at £1.70. Jeremy Hudson, a London-based oil analyst for Shearson

Lehman Hutton, said the premium reflect-

ed BP's judgment about the potential for dis-

prices throughout the entire sector, however."I wouldn't rush out and buy shares in any of them at the moment," says Graham Andrews of County NatWest Wood MacKenzie. He

suggests that investors wait until current prices

Carol Bell, an analyst with Phillips &

Drew, feels that if another takeover bid does

not surface in the next two to three months

then these companies will once again focus on

The result was sharply higher share

come down 20 to 30 percent.

ain's small explorers.

North Sea Shares: Still Pricey

toward high-yield securities. Occidental Petro leum, he says, has the most attractive yield

at about 10 percent.
George Baker, Smith Barney's oil analyst, likes Chevron. After its Gulf acquisition three years ago, Chevron has paid off \$8.3 billion worth of debt. "Now," Mr. Baker says, "Chevron can start directing more of its cash flow toward its shareholders.

And indeed, Chevron just raised its dividend for the first time in four years.

When it comes to talk about takeovers most of the speculation centers on Texaco Inc. Analysts at Smith Barney say Sun Co., Un-ocal Corp., Kerr-McGee and Phillips Petrolemm also fall into this category. But many analysts are reluctant to recommend such stocks because of the high takeover premium included in the share price. If a merger never materializes, an investor could get caught holding the stock during the seasonal drop in oil prices that will likely occur in

the first quarter of 1989.

"We think the valuations in this group are distorted because of takeover speculation," Mr. Baker says.

the fundamentals such as the price of crude

oil and the dollar-sterling exchange rate. Still, analysts agree that these shares have little downside risk. The industry is com-

prised of roughly six independents, and acreage in the North Sea is already accounted for. As Mr. Andrews notes, "Oil, like land,

is a good investment; They aren't printing any more of it." Ms. Bell calls it a "safety valve." If prices drift too far south, then buy-

ers will be drawn back into the market. At present, Shearson is "very cool on the exploration stocks," says Mr. Hudson. However

er, he acknowledges that he could change

able levels. He reckons that Premier and

percent and 80 percent, respectively.

But he says he will not recomm

current level of about 63 pence.

his mind if prices settle back to more reason-

Clyde Petroleum are overvalued by about 50

nd the stock

Elena Bowes

But he acknowledges that he likes Premier because of its unique acreage in the Far East and the southern coast of England.

until it drops to 55 pence a shares from its

Heavy Supply Dampens Futures

HE market has been stalled; it couldn't be any duller." This is the way Mark Thomson, an analyst with Phibro Energy, describes the market for energy futures where an abundance of supply continues to weigh heavily on contract prices. After reaching a record high last December, trading volume for crude oil futures con-tracts on the New York Mercantile Exchange slumped 25 percent to an average of 61,642 contracts a day

This is hardly surprising. The futures market rarely forecasts oil prices as much as it reflects market psychology. And the market is awash in oil. "Crude inventories in this country are as high as they've been since 1982," notes Andrew Lebow of E.D.F. & Man International. Total oil inventories were up 16 million barrels at the end of April compared to a year ago.

Indeed, longer-term contracts are more expensive than the near-term ones, a rare situation that occurs when there is an oversupply of oil, but expectations

for higher demand persist.

So far this year demand for petroleum products
was up about 4.5 percent in the first four months of the
year, compared to a 1.8 percent rise in the same period last year.

Rather than take lasting positions in any one contract, most traders are cautiously playing the spread be-tween the three contracts; crude oil, heating oil and unleaded gasoline.

Rodney Dow, managing director of Dow Interna-tional Energy Corp., believes a strong seasonal demand for gasoline this summer may be the market's "only salvation." He and other analysts are speculating that a weak dollar will induce Americans to sightsee at home. The climination of the 55 mile-per-hour speed limit in some states is also expected to spur demand. Still, whether this can change the market environment is not certain.







DEPOSIT RATES

Interest paid gross on maturity
 Higher interest rates are negotiable on deposits exceeding £.
 Wide range of call and deposit accounts.

When you bank with Royal Trust you benefit from the security and experience of one of Jersey's largest financial institutions and from the Island's reputation for confidentiality. Apart from offering a wide range of deposit accounts in most

- nator currencies we also provide: Savings accounts with chequing facilities.
 - Foreign exchange arrangements
- Loans and guarantees.

Discretionary trust and company formation services.

Royal Trust, Jersey is a wholly owned subsidiary of Royal Trust Canada, one of the largest financial institutions in Canada with an AA credit rating comparable with the major Canadian chartered banks. For further information about opening an account or details of our other personal banking services please post the coupon below or

call Trevor Wynn on Jersey (0534) 27441. Copies of the latest audited accounts available on request from the Managing Director *Rates correct at time of going to press on 7th June 1988 but are reviewed daily.



Mr. T.D. Wynn, Royal Trust Bank (Jersey) Limited, PO Box 194, Royal Trust House, Colomberne, St. Helier, Jersey, Channel Islands

I am interested in opening an account, please send me details Please send me details of your other offshore banking services (specify)

esting. Mr. Goldston and Bonds: Gains Proving Elusive more value per dollar dia Bonds: Gains Proving Elusive

re else. In that respect ker Continued from page 7

sheets is a blessing being its principal trade partner, and of institutional interprincipal in numing at a relatively helped the pink sheet low annual rate of 25 percent e it through the October Some analysts believe the government is ready to ease up on credit, perhaps cutting interest rates as much as a full percentage point.

"Investors picking up 3 or 5 year bonds can lock in higher ields than are available in the urities Fund, says More U.S. neverthe continent with the notes fund, such are use added incentive of some price apink Sheet stock.

Joe Paper, a paper may says Kerin. McGivern, head of based in Florida, is one a bond printing at BZW Securities in rite holdings. Along w London.

on acres of timbeliant. In Britain, a similarly firm monhirront property the one carry policy combined with a raps 50 percent of Florate idly appreciating pound gave dol-it Railroad and is one of lar based investors a 9-percent st U.S. sugar products return from February to May. But as sell for more than SAM a recent interest rate cut of 1.5 but Mr. Shorts man percentinge points and concerns its assets are worth our about an joverheating economy.

make Bright government bonds nother stock that Mr. & less attractive in the second half, is A.D. Makepeac let Preficts Mr. McGivern: "The ranherry grower in the statistics will wobble."

The two statistics that most one.

rding to Mr. Shorts the The two markets that most anarding to Mr. Shors the is a key parucipant of the most or stronger tellural out one of the most or months are Anstralia and New d names in the most or months are Anstralia and New Zealand Inflation rates, in double to a share, he says All dish two years ago, have come accorded is undervaled accorded to the monetary policy. Three-year is Coal Creek Maner is Coal Creek Maner is Coal Creek Maner is Coal Creek Maner is a company of the compa

roughly 75,000 acrs (# John Davis, a fixed income specky. "The land has a callet with McCanghan, Dyson, 400 million tons of callet with McCanghan, Dyson, sidered to be the lags? Tased in both Australia and New holding of coul in a grant to the lags? Tased in both Australia and New Zealand, cautions that inflation tensing a strong contact in fill the callet a strong contact in the second contact in the callet a strong contact in th tenams a strong concern, and in-

through the summer before possi-bly coming down in the fall. Offsetting those risks to some extent

New Zealand, though, has spe-cial pitfalls, he notes: "The market is thin, growth is not as strong, and the currency is viewed by some as

Not all bond specialists buy the argument against any decline in world interest rates. And some hond-market followers are skeptical that this period of currency stability can be sustained for

Though few see a major rally ahead, some analysts forecast a slowing of economic growth that could reduce inflation fears. Wolfgang Ketzer, a bond strategist with Westdentsche Landesbank Girozentrale, believes there may

"Capital spending drove the ro-bust growth in the first quarter," he says, "which leads me to believe the consumer will not sustain it in the second." In Mr. Ketzer's scenario, bond yields in the industrialized countries will move up another one-eighth to one-fourth percentage point before evidence of a less robust economy surfaces in July, setting off a modest bond

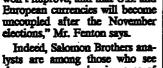
Investors in nondollar bonds dollar resumes its accident-prone lar's problems.

elections," Mr. Fenton says. are buoyant currencies.

be a bond rally this summer.

could also see a quick profit if the ways. Simon Fenton, a vice president at the Kleinwort Benson Trans-Atlantic Bond Fund, says doubts about U.S. progress on the trade front could rekindle the dol-

"We believe the trade situation



lysts are among those who see sharp currency gains in some of the major markets before the end of the year. Japanese bonds could return 16.5 percent in dollar terms in the next seven months, according to Salomon Brothers projections. The projections attribute 14.5 percent of the gain to curren-

> Salomon is projecting an 11.75 percent return in dollar terms for deutsche mark bond and 14 per-



YOUR BEST BUY Single diamonds at wholesal prices by ordering direct from Autverp, the world's most important nd market. Give diamonds to the ones you love, buy for investment, for your enjoymen Write airmail for free price list or coll us:

schim Goldenstein nantexport BVBA Retablicaed 1928 matraat 62, B-2018 Antwe ma - Tel.: (32.3) 234,07.5 Teles: 71779 syl b. Telefan: 32.3/231.38.87

at the Diamond Club Bldg. **1966 0000**

Currencies Fund also provides an

excellent means of employing

liquid Funds at the investors choice

in Deutschemarks, Swiss Francs,

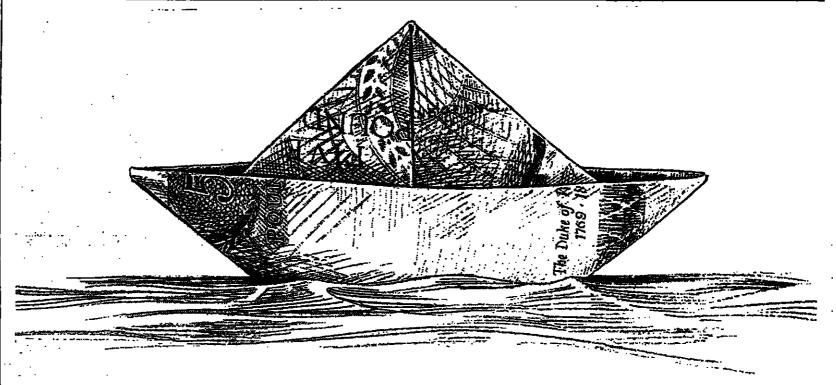
Yen, US Dollars, Canadian Dollars,

or Pounds Sterling. As the Fund

deals daily, the investor can, using

the exceptional personal security

number system, rapidly sell shares



JERSEY-BASED INVESTMENT IS PLAIN SAILING WITH THE HALIFAX.

Halifax Building Society has set up a simple but effective investment opportunity in the prestigious Channel Isle of Jersey.

It's called HALIFAX DEPOSIT INTERNATIONAL.

This means that because you are an investor not ordinarily resident in the UK, the Halifax can pay you interest with no tax deducted.

The investment opportunities available start from £1,000 with the top interest rate for £50,000 and over. Your money starts earning straight away and you can have instant access without any loss of interest.

It's just the kind of investment package people have come to expect from the World's biggest building society with over £30 billion assets and over 12 million private investors.

With Halifax Building Society you combine competitive interest together with maximum security.

If you would like more details about our Jersey investment then send in the coupon below now.

You'll find it's well worth investing the time to do so.

		 Title	
Name		 . 1 ווור	
Address	-	 	
Country		 	
Nationality		 	
		 _	005/005
		F	

Halifax Building Society, International Investment Unit, Ingouville House, Ingouville Lane, St Helier, Jersey. Channel Islands.

Recommended since Black onday as a histen from volatile RBC markets, the RIBC International Currencies Fund has performed extremely well. For example, in the Swiss Franc Class*: Top fund out of 19 funds over 3 months. Top fund out of 16 funds over 3 years. PERFORMANCE The RBC International Curren-SINCE cles Fund Managed Share Class has an anviable record for giving you that professional manage-

FLEXIBILITY

Through six single currency es earning and accumulating interest linked to money market rates, RBC International

ment. A pure roll-up Fund with no nitial charge, where the interest is ploughed back and where shrewd currency selection enhances the share price. Janagers Eimited

and administered by The Royal Bank of Canada Group - Canada's biggest Bank and one of the largest retail Banks in the world. We regret that this investment opportunity is not available to crizens or residents of the United States or investors resident in Canada. Money Management Dollar Converted Offshore Fund Performance Table as at

Royal Bank House, PO Box 48, St Peter Port, Guernsey, Channel Islands, Telephone: 0481 29021, Teleo: 4191527 The lettest RBC Fund Prices are available 24 hours a day on 0481 710598

PO Box 48, Quertsey, Channel late Tel: 0481 23021, Telesc 4191527

호통A RBCONshore fund

or switch between share classes. MANAGEMENT You also have the comfort of knowing that the Fund is managed

RBCOffshore Fund Please sand me a copy of the RBC Intermational Currencies Fund Prospectus Managers Limited

A Speculative Binge By Book Collectors

James Bond?

Danish Bond!

Send the coupon today and learn how you might get

North Star

22%

No - I said

By Alice Oshins

New York N the past, the market for rare books was considered slow-moving and predictable, attracting mostly traditional collectors. But nowadays as prices for collectibles continue to climb in the aftermath of the stock market crash, speculative buying is spreading. And the de-

mand for books is growing. Last year, at Christie's October auction, the Japanese publisher Marusen bought one of the two volumes of the Gutenberg Bible for a record price of \$5.39 million. Dating back to 1445, it was the first book printed with movable type. More recently, at a May 20 auction at Christie's, a first edition of James Joyce's "Ulysses" sold for \$46,200, almost double its esti-

"We're seeing the competition and prices not seen since the Golden Age of book collecting," says Selby Kiffer, an expert on rare books at Sotheby's in New York. He was referring to a unique peri-od in the 1920s when Henry Huntington and J.P. Morgan became two of the best known collectors in the world, bidding up prices while amassing formidable collections.

Added Inger Thomsen, a dealer in rare books in Copenhagen, Denmark: "Prices for rare books are going up all over the world. Because there is more competition, it is difficult to get the good books, so people are buying wherever they can find them."

Still, not all books are considered collectible. And even though book collectors pursue any number of subjects that might be of interest to them, they generally adhere to common guidelines when evaluating a book.

First editions are by far the most sought after, especially those that mark the first appearance of a well-known author. Sotheby's Mr. Kiffer recalls that at a recent auction the first collected edition of Shakespeare in 1623 fetched \$638,000, whereas a second edition printed nine years later sold for \$23,100. While a variety of factors may have influenced the difference in price, Mr. Kiffer adds, "The later edition doesn't convey the excitement of the first appearance of the great plays." Indeed, the appeal to the collector is the sense of uniqueness that



This 1617 version of Copernicus's theory sold for \$1,980 at auction last year.

the first edition conveys. Every-body working on the book — the author, illustrator, editor, printer, etc. — has left his mark. This includes possible mistakes that existed as the books were first coming off the press.

The excitement about first editions also goes beyond the tradi-tional notion of literary importance. The initial publication of information about a scientific phenomenon or a historic discovery are popular among collectors. At Christie's recent auction in New York, the first book to describe the circulation of the blood in 1628, William Harvey's "Exercitiatio anatomica de motu cordis et sanguinis in animalibus. fetched \$199,999.

Experienced collectors never confuse a book's importance with age. Just because a book is old, does not mean it will command an extraordinarily high price. "The value lies in the importance of the book." explains Raymond Wapner, president of the Anti-quarian Booksellers International, Inc. "A book could be published yesterday and start selling in the

thousands of dollars." Daniel Hirsch, a dealer in Hopewell Junction, New York, points to the tremendous interest n modern literature. Works by Stephen King are a good illustra-tion. A signed, limited edition of a King book can fetch as much as \$2,500. One collector who bought 4 copies of "The Gunslinger" in 1985 for \$20 sold them in April for \$500, according to Mr. Hirsch.

Still, the market for contempo-rary literature is fickle. In 1986, demand for books by the British humorist P.G. Wodehouse pushed prices of his work as high as \$450. Within six months, the market crashed and Wodehouse books were selling for \$75. Now they are selling for \$250.

Once a book is deemed important, the next consideration is its condition. Apart from maps and illustrations, collectors should look for missing or damaged pages and dustcovers. Ralph Sipper, a Santa Barbara, California dealer, notes prices for "The Great Gatsby" range from \$150 to \$5,000, depending on condition.

Helen Kahn, a Montreal book dealer who specializes in books on early exploration and travel, explains that Champlain's "Les Voyages de la Nouvelle France" can fetch \$18,000 if it comes with a map showing Champlain's jour-ney, but would sell for half as much without one.

Also, a book in its original binding will always fetch a premium to one that is rebound. But this does not mean that a rebound volume does not have its own appeal. They may be especially attractive if there is a high quality of craftsmanship. "Some people are interested in a book solely for its binding," says George Lowry of the Swann Galleries in New York. Edwards of Halifax and Riviere & Son made elaborate geometric or jeweled bindings that have historic and artistic value. □

STRATEGY

Arming Against a Surge in Inflation

NFLATION is not a hospistocks. But some companies stand to do better than others if, as some forecasters believe, a period of increased inflation is beginning. Though a return to the double-digit inflation of the late 1970s seems unlikely, many experts suggest that individuals consider arming their portfolios with a few defensive assets.

Investors have traditionally turned to tangible assets like gold and real estate for protection because they tend at least to keep pace with inflation. But with concerns about surpluses in gold, and with tax revision and rising interest rates depressing many real estate investments, some specialists suggest considering other opportunities this time.

Thomas Sweeney, manager of the \$1.2 billion Fidelity Capital Appreciation Fund, favors indus-tries that are able to raise their prices and thereby profit from beng part of the inflation problem. In the United States, the oil

tanker industry is one example. U.S. oil imports have risen sharply in the last two years, Mr. Sweeney says, but new tankers have not been added to fleets since the late 1970s. He says average carrier price rates have risen in the last three years, benefiting companies like Overseas Shipholding Group and OMI, Furthermore, the value of the tankers has risen. A secondhand, very-large-capacity crude tanker that sold in 1985 for \$5 million fetched \$23 million last week, according to Mr. Sweeney.

Elsewhere, Mr. Sweeney likes Rayonier Tumberlands, which has two thirds of its stumpage in the Pacific Northwest. With the low dollar stimulating exports and the government reducing its public timber sales, prices for hemlock and Douglas fir timber have al-most doubled in the last year. There is 100 percent inflation in this industry," Mr. Sweeney says, "and if you own those trees and prices have doubled, your profits

are going to rise dramatically. Some analysts believe that inflation may be different this time around. Past inflationary periods were driven by scarcity in com-modities like oil, they say, but the next bout of inflation will see shortages in end product areas like paper, chemicals, steel and semiductors — industries currently operating at or near capacity. Companies in those industries. they believe, would be the best

Old Rules **New York Stock Exchange:** Compiled by Media General Financial Services. Prices Transtechnology Corp. Beverly Invest. Prop. Wheeling-Pittsburgh Genetech Inc. Murray Ohio Mfg. Arkansas Best Corp. Artra Group Inc. 27.88 17.50 24.38 20.38 Essex Chemical Corp. Union Carbide Corp. Standard Motor Prod. Tech-Sym Corp. AGS Computer Inc. Adams-Millis Corp. Banner Industries Tandycrafts inc. 48.25 18.63 Amfac Inc. Thompson Medical American Stores Chelsea Industries Long Island Lighting American Stock Exchange: MacNeal Schwendler Salam Corp. Superior Industries MCO Holdings American Biltrite Inc. Medchem Products Inc. Enviropact Inc. MSI Data Corp. Ketchum & Co. Over the Counter: Westwood One Inc. 33.88 16.00 26.63 Redken Labs Laidlaw Transport. (A) Laidlaw Transport. (B) Northwestern States Fortune Financial Graphic Packaging Corp. Raymond Corp. London Stock Exchange: Compiled by Morgan Stanley Capital Inte Cadbury Schweppes Amstrad BSR International 535 320 285 792 313 1,039 311 564 Courtaulds Wellcome Scottish & Newcastle Pilkington Ultramar Sears PLC Inchespe UK Beazer Ward White Group Unigate Rowntree British Airways Royal Insurance Slough Estates Ass'd. British Ports **Tokyo Stock Exchange:** Compiled by Morgan Stanley Capital Is 1,330 970 815 Tanabe Seiyaku NGK Insulators Nachi-Fujikoshi Citizen Watch 2,330 1,850 1,150 1,250 6,500 Daiwa Securities Toyo Kanetsu -15 -14 -13 468 3,330 1,330 285 710 Fujisawa Pharm Tokyo Rope Mfg. Noritake Lion Advantest Japan Line Mitsui Mining Co. -12 -12 2,330 1,750 Omron Tateisi Tsumura Juntendo

S. Fossel, president of the Oppen-heimer Management Corp. "So it makes sense to invest in stocks that are going to have increased profit margins and those that can benefit from expansion, modern-

May Market Scoreboard

ization and upgrading."

Many of the industries most likely to hold their own during an inflationary period are the same ones enjoying increased global competitiveness thanks to the lower dollar and streamlined operations. That would include sectors like chemicals, agriculture and oil

These companies are going to do well even if there isn't increased inflation," said Charles Clough, chief investment strategist at Mer-"The shortages will likely be in rill Lynch. Mr. Clough likes such unfactured products," says Jon oil-service companies as Schlum-

such industrials as Caterpillar

Indeed, experts warn that investing to beat inflation can be risky if central banks try to fight inflation by raising interest rates. The stock market has not welcomed recent indications that the Federal Reserve is tightening credit. Moreover, there are many others on Wall Street who believe that the recent signs of increased inflation are misleading. They are encouraged by lack of significant

Still, even those who are not concerned about inflation now say sharp increases in commodity prices and wages would cause them to worry. Should these indi-

berger and Dresser Industries and cators appear, they say, indiuais should move away from sumer stocks and bonds, ut and retail banks, because sectors would be the hardest l

> still prefer tangible assets suc precious metals and other t modities as hedges against tion. Allen Sinni, chief econd of the Boston Co., suggests if new hedge could be made currencies of foreign countries Japan and West Germany, 4inflationary pressures are This way if ours heats up a than theirs, a foreign confer foreign denominated sea should provide a better return

> > © 1987 The New York Times

 Play Lotto 6/49—Canada's Favorite Government Lottery · Pick your own "Lucky Numbers" when you play Record prize of \$13,890,588.80—all CASH—TAX FREE!*

NOW YOU CAN WIN BIG

For years Canadians have been striking it richin Lotto 6/49-Canada's most popular lottery. In fact, last year Lotto 6/49 paid out over \$500 Million dollars in prizes! Almost every week new millionaires are being made by playing this fantastic game. The jackpots (1st prize) regularly surpass \$10,000,000 per draw and have gone as high as \$13,890,588. That record prize was won by Lillian and Stewart Kelly, pictured below, and still stands as one of the world's largest all-cash lottery prizes every awarded.

Now, thanks to Canadian Overseas Marketing's unique subscription service, you too have the chance to win a multi-million dollar prize.

MULTI-MILLION DOLLAR PRIZES

Here are some examples of the fantastic jackpots being awarded by Lotto 6/49:

Lillian and Stewart Kelly -\$13.890.588.80 Mohamed and Nurahi Samji -\$11,066,864.20 -\$10,372,326.70 Ron and Val Taylor -\$10,191,804.60 Carrie and Derek Stockley -\$ 7,789,787.60 Doug and Loraine Clark -\$ 7,059,893.70

And that's just for first prize...there are many SMillions more paid out in subsidiary prizes. With five prize categories in all and thousands of prizes won in every draw, it's as if you can't miss!

GOVERNMENT GUARANTEED LOTTERY

Lotto 6/49 is an official lottery operated by the ten Provincial Governments of Canada. It's called Lotto 6/49 because six winning numbers from a total of forty-nine are selected each draw. If the six numbers chosen match the six numbers you are playing, you win the jackpot. In addition to the six regular winning numbers chosen, there's one additional number drawn called

the "bonus number". If you have any five of the six regular winning numbers correct plus the bonus number, you win second prize. Any five, four, or three of the regular winning numbers correct wins you third, fourth, or fifth prize

There's a new draw twice each week (on Wednesday and Saturday), every week of the year. The jackpot is guaranteed to be not less than \$1 Million dollars in each draw. And if the jackpot is not won in the current draw, that prize money is carried over and added to the jackpot for the next draw, growing until it's won!

YOU PICK YOUR OWN NUMBERS

Besides the enormous prizes to be won, the best thing about Lotto 6/49 is that you pick your own numbers. So, instead of just buying a ticket, you really do play this lottery. Many people feel they have certain personal lucky numbers or numbers that have a special significance to them, such as birthdays or anniversaries. Still Others look for statistical patterns in the numbers selected. But whatever method you use, you'll find it much more exciting to play the lottery that lets you enter your own numbers.

IT'S EASY TO PLAY

All you do is complete the attached order form and send it to Canadian Overseas Marketing along with the necessary payment. We will enter your numbers for the specified length of your subscription. You may select from 1 to 6 games for 10, 26, or 52 weeks. Indicate exactly six numbers between I and 49 for each game you wish to play. Each game gives you another chance at the grand prize for every draw in which you are entered.

You receive a "Confirmation of Entry" by return mail acknowledging your order and

as the draws in which they are entered.

You will be notified immediately when you win a prize of \$1,000.00 or more. Also, a com-

Complete one game board below for each game you wish to play. Select exactly stx numbers from 1 to 49 on each game board you are playing. Indicate the number of draws you wish to play and send with the necessary payment to the address below.

FREE BONUS | INCLUDES | INCLUDES | 4 DRAWS | 4 DRAWS



When Lillian and Stewart Kelly, pictured above, won Canada's record Lotto jackpot of \$13,890,588.80 there were over 1 million winners in total, with over \$37,000,000.00 in prize money awarded. The prize breakdown shown here indicates the actual winnings for that draw.

PRIZE BREAKDOWN										
PRIZES NO. OF PRIZE VALUE										
1ST PRIZE OUT OF 6 REG. NUMBERS	1	\$13,890,588.80								
2ND PRIZE SOUT OF EPLUS BONUS	10	\$443,481.60								
3RD PRIZE SOUTOF 6	716	\$3,704,70								
4TH PRIZE	48,917	\$138.30								
51H PRIZE 30UT OF 8 965,112 \$10,00										
TOTAL PRIZES TOTAL PRIZE VALUE										

*All prizes quoted in Canadian dollars, 1st, 2nd, 3rd, and 4th prizes are calculated on a perc the total prize pool. Since the prize pool fluctuaties fro draw, the size of the prizes will very from the size of the

tCanadian Overseas Marketing PO. Box 48120, Suite 1703, 595 Burrard Street, Vancouver, B.C., Canada V7X 1S4

indicating the numbers you have selected as well

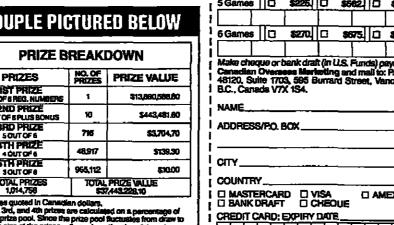
plete list of all winning numbers will be sent to you after every tenth draw, along with a statement of your winnings to date. At the expiration of your subscription you will be sent a final statement of your winnings. All prize money will be converted to any currency you wish and confidentially forwarded to you anywhere in the

So mail your order today—the next big winner could be you.

ORDER FORM

	(20)		26 V	VEEK	s ko	WEEKS DRAWS			
1 Game	0.	\$ 45.	[-	\$11	2 0	\$ 225.			
		J	ļ <u>. </u>	4					
2 Games	Ш	, \$ 90.	ļ <u>o</u>	\$22	5 0	\$ 450			
		L	1			<u> </u>			
3 Сатея		\$135	<u></u>	\$33	7 0	\$ 675.			
LL		L	Щ.	丄		<u></u> _			
4 Games][0	\$180		\$45	<u>a</u> □	·\$ 900.			
$oldsymbol{ol}}}}}}}}}}}}}}}}}}$		<u></u>	<u> </u>			<u></u>			
5 Games	10	\$225	0	\$56	2 ㅁ	\$1125.			
L1		i .	<u> </u>						
6 Games		\$270.	G	\$67	되ㅁ	\$1350.			
				П		1			
Make cheque or bank draft (in U.S. Funds) payable to Canadian Oversees Marteting and mail to: PO. Box 48120, Suite 1703, 595 Burrard Street, Vancouver, B.C., Canada V7X 1S4.									
NAME									
ADDRESS									

WIN SMILLIONS LIKE THE COUPLE PICTURED BELOW



Total Return for 12 Months

Total return measures both the changes in the prices of securities and the income they provide either in alkidentics or interest. Gains or lesses were measured by comparing market indexes with their levels a year earlier. The chart does not take into account taxes or inflation.

return for 12 months ended Total return for 12 months ended April in dollar terms Aprilia local currency

Increase your yield through Private Banking

Invest-Loan

With an Invest-Loan you can borrow up to four times your own investment. It works like this - you invest say USD 25,000. We then add to that a loan of USD 100,000 raised in a low-interest currency (DEM or CHF). The total amount (USD 125,000) will then be invested in several high-interest paying currencies. The result for you will be a profit on the

difference in interest rates, plus the return on your own investment.

Depending on the market conditions, your final yield will increase or decrease, but with a five-year term Invest-Loan you don't have to care about temporary fluctuations, but consider it as a long term investment.



DK-1501 Copenhagen V. Denmark. Tel.: +45 | 21 22 22

Private Banking

You can choose from various types of investments in Private Banking (International). High interest paying accounts in all major currencies, ECU-Accounts, Dan- Certificates, Securities

and Portfolio Management. ● No Danish taxes

• No charges for maintaining an account

 A fast and efficient service •Many years of experience with international customers from more than 150 countries.

Invest-Loan Private Banking								
Name	·							
Street	 · · · · · · · · · · · · · · · · ·	<u>:</u>						
Postal Code City								
Country								
Telephone		205404						

2000 A 300 D THE PARTY

---- 14 minutes 1888

- Andrews Williams · Maria i i HARLY & THE CHAPINA

Charles hatte 14 r-mi site duffige Capacita appli ig fait let af **lief** - . Procuration

المحمد أخذ حدد . د . ! 3.74W MA met 😘 🕍 7 74 2 hange 19

WITTHEN REMETS

underly Corp void Prop Pathoniagh

Date Carp

Medor Prod

 $u_{\sigma_{s,t_{\alpha},\alpha,p_{\alpha}}}$

'a liggingha

Dates in the

Stemarina

le Group

Walvs

eryaku

Curities Pharm

Junterer

: Trust

heve

ditt

11.71

Banking

w Visnorment

 $\{h(t)\}^{n+1}$

manificantiff '.

Cotto Part (A)

tandent in

Constitution, Supplied

ONDAY, JUNE 13, 1988

Saudis

Launch

Bonds

Offering Observes Islamic Tenets but

Perplexes Bankers

RIYADH - After five months

of uncertainty and a 25-year taboo.

Saudi Arabia has launched a major commercial borrowing effort to re-

duce a persistent budget deficit.

Authority invited hanks on Satur-

day to subscribe to a 1.5 billion

riyal (\$400 million) bond offering. Analysts said the borrowing pro-

gram was tailored to avoid con-

frontation with conservative rela-

gious groups over the assue of

Since Islamic law bans the pay-

ment of interest, the government will issue one- to five-year "devel-opment bonds" whose yield is geared to the cash flow of unnamed

Bankers welcomed Rivadh's de-

cision to borrow, but said the terms

of the bonds were complicated and

that it would be difficult to assess

whether they would be an attrac-

"With weak oil revenues and a soft dollar, Saudi Arabia is at the

stage where it makes sense to bey-

row," one banker said. "But after

earlier policy U-turns, this must be

The key is how the return on the

bonds, when they are "Western-ized," compares with traditional

bank investment yields such as

Saudi and U.S. interest rates and

U.S. government paper. The calcu-

Bank treasury officials have been

trying to calculate the yield of the

bonds based on information te-

lexed by the Saudi monetary agen-

cy. The payout, to be made twice a year, is expressed in rivals per mil-

lion for each of the one to five-year

Plans for the offering were first

maturities offered,

lation has not proved easy.

seen to work."

tive and competitive investment.

Saudi Arabian Monetary

CURRENCY MARKETS

ound and U.K. Policy re Defying Old Rules

By WARREN GETLER

International Herald Tribune

ONDON - In forecasts hinting at even more difficult times ahead for British monetary planners, a consensus is growing that the pound will remain strong for most of 1988. Such a view seems to defy the conventional dom that a country with a widening current-account deficit, that Britain has faced for nearly two years, will see its currency

in a major focus of international currency speculation since

Some critics see

tying base rates to the

arch 7, when the governat abandoned the unoffia ceiling of 3 DM that it had intained for nearly a year. The pound's brief fall inst the mark early this nth was attributed to onger-than-expected West rman growth figures for the t quarter. Economists now

pound's exchange rate as a dangerous 'yo-yo' policy. suggesting that the Gerin data do not suggest a trend for the entire year.
Several are predicting that the pound will test 3.20 DM or
ther before the end of the month and could stay in a range of

5 to 3.25 DM for much of the second half of 1988. Goldman, chs & Co., the New York investment firm, moved markets last ck by forecasting that sterling would push into the range of 5 to 3.20 DM, possibly after a temporary dip below 3.10 DM. firm also said the U.K. economy could remain competitive th the pound as high as 3.27 DM.

Many independent economists are predicting that the deficit in main's current account, the broadest measure of a nation's ade, will widen to £6 billion (\$11.25 billion) this year and to £8 lion in 1989, from £1.68 billion in 1987. That deterioration. ey say, eventually will exert downward pressure on the pound, it not until the full picture on balance on payments is known

The obvious factor underlying the near-term bullish forecasts the pound is that British interest rates must remain high to in swollen domestic demand for credit and resulting inflationy pressures. After two half-point increases so far this month, sh base lending rates stand at 8.5 percent, a yield that makes nd-denominated assets relatively attractive. Economists say Fate could climb to as high as 10 percent in the second half of is year, accelerating the currency's rise.

STRONG pound would pose an acute problem for range state should move may be chancellor of the Exchequer, who believes that interest-rate cuts and central bank intervention that interest would be the bould be used when necessary to brake the currency's rise and need to be seen that interest rate cuts and central bank intervention that interest rate cuts and central bank intervention needs would be used when necessary to brake the currency's rise and need the British export sector.

still prefer tagely giargaret Thatcher, who has said the market should determine previous metals at a value of the pound. The prime minister's main worry was that maines as helps wer interest rates would stimulate domestic demand, triggering ther Man the resurgence of inflation. After winning at least temporary of the Roston (a marking from Mrs. Thatcher to manipulate rates, Mr. Lawson is new heder rough kew left with the question of whether he can cut interest rates to currence of teams also the pound — and above all, protect British exporters—tapun and west contents are inflationary pressures seem to be around the corner. intlationary present "If Mr. Lawson were really serious about preempting inflation-

The with from key pressures, he would put base rates back up to 10 percent and than there a longicke-sterling appreciation on the chin," said Bill Martin, a senior terrian denoming commist with the London stockbrokers Phillips & Drew. should provide them. In any case, "despite our balance of payments problem, we're

oing to see sterling rising back, perhaps keeping to a 3.15 to 3.20 M range over the next three months," Mr. Martin said. He also while he had the pound could rise as high as \$1.90 against the dollar from

Under Mr. Lawson, economists say, the Treasury appears to ave linked a 5-pfennig appreciation of the pound to a half-point it in base rates, and conversely, a 5-pfennig fall to a half-point se in base rates. The effect of such a move theoretically is tral: The currency's rise offsets the rate decline.

But many analysts see dangers in tying such a crucial monetary ol as base rates to the week-by-week whims of the currency parkets. Some critics have denounced the action as a dangerous yo-yo" policy that gives little confidence to corporate planners.

There argue that the impact of a 5 prenning appreciation is not so functive that it merits a specific level of rate cut.

Brendan Brown, chief economist with the investment banking im of National Westminster Bank PLC, said that Mr. Lawson's iscrete calibration of monetary policy to the exchange rate was awed because it ignores the more pressing issue: Domestic and is too strong. Wage demands are persistently high, retail

See POUND, Page 13

Currency Rates

_	Joes Bi	utes :							Ju	NE 10
	!	S	. .	D.M.	F.F.	11.1	Gidt.	B.F.	5,F. 1,3456	Yen 1,5444 *
	Picratina	1.9295	3.596	1,1227	0.3325	2.151		5,369 =		12577
	sants(a)	35.92	65.32	20.90%	6193	2.E121 *	18,6225		25.86	
•	jekturt	1,718	3,124	_	6.2962	£1345 °	700ج	4.783 *	1,1967	1.3745
	Men (b) .	1.8175	_	3,1253	10.558	2,323,00	3,5155	45.25	2.613	27.55
•		1277.75	2.321.70	743,73	220.17	_	62.25	35.547	890,70	10.275
	Yark(c)		- 14175 b	1,7205	5.01	1,278.50	1,9315	35.95	1,4385	124.85
	ris.	5,8035	10.5545	3.3771		0.4542 **	3,0078	0.1615	4,047	466
	kTO	134.75	222	72.78	21.55	1.99	64.8 6	3.444	17,15	
	Hote .	1,4352	2.609	0.8357		0.1124 *	9,7438	3,9947 *	_	1,1489
1000	T in	1.2094	0.6644	2,0771	7.0126	1.544.34	2.3322	4,411	1,7331	150,999
Same Same		1,3643	6.7501	23439		NA.	24324	49,5057	1,955	176.155
	incines In 1	ondon. pl franc	Tokvo one ; b: To be	a Transferi	h Subse	in other co To buy of	nters. N Vy dollar	ew York o ; •: Units	douing r of 100;	ates. N.Q.: not
	ther B	يخلاه	· Value	es						
	TTENCY	Per s	Curret	KCY	Per S	CUSTORCY			U_BBCA	Per \$
	Hen auch w	7.705	Fla. m		4.0855	Mex. POS			ur, read	
.	stral, S	1,2356	Greek		137,75	N. Zealts			riet rubli	
T.idl	SET. SCHILL	12.00	Hoot I		7,8115	Nig. nain			m. pesei	
te Bankin	Mr. Sta. Sr.	34.22	nde		13,67	Norw. Kr			ed krom	
1 10 KM 1100	wil cruz	17242	tado. r		1675.00	Phil, pest			wen S	28.40
IC EFGLISH	2 moliton	1,2196	irish s		0.6428	Port. esc			al bobit	25,135
	pere Yuga	3,7221	Israeli		1.5735	Sandi riy	al* 3.75	7.5 Ten	بدايل بايدا	. 1332.90

Thai bobt" 25,135 Turkish ikra .1332.99 UAE dirhum" 3,6729 Venez, bollv. 31,25

(1991) (1994) High Might hands and a starting ## day ## day 1.2162 1.2146 1,426 1.4212 124,56 124.19 123.84 1,7087 1,7032

All Hard Control of the Control of t

Last Week's Markets All figures are as of close of trading Friday

the efficient state, during the state of cabendary and during the state of the stat	the Little A	figures are as of	'S Mark close of trading Frid	lay	
- frame,	eck Indexed	June 3 Chise .	Money Rates United States	June 10	Jun
	Indus. 2.101.71	2,071,30 +1.47 %	Discount rate	6	٠,
	Util 179.11 Trons. 877.29	178.34 +0.43 %	Federal funds rale Prime rate	75/16	
	P 100 257,95	253,94 + 2.75 % 253,06 + 1,93 %	Japan Prime raic		
Martin Harrie	P 500 271.24	266.45 +1.80 %	Discount	242	
	P Ind 313.62	307.58 + 1.96 %	Coll money	3%	37
(19 i 11 ²)	/SE Cp 152.89	150.31 + 1.72 %	3-month Interbank	3 15/16	315
. •	3E 100 1,849,90	1,819.20 +1.68 %	West Cerminay	a.	
	30 1,468,20		Lombord	41/2 31/2	
	Nan Kkel 225 27 270 36 at Germany	27.821.54 + 0.36 %	Call maney 3-month Interbank Sritula	346	•
	Trinerzek 1,417,70	``\A07.80 + 0.70 %	Bank base rate Call money	67/2 6	
.•	30g Seng 2,647,42	. 2,568.35 +3.08 %	3-month Interbook Gold June	89/16 10 June 1	
		451,70 + 2,75 %	London p.m. fix \$ 457.	60 464,70	-1

Emirates Quit Oil Meeting

OPEC Halts Talks Until Tuesday

Compiled by Our Staff From Dispatches VIENNA - The oil minister of the United Arab Emirates walked out of OPEC's summer meeting Sunday, threatening to undermine the cartel's tentative plan to main-tain current production limits to bolster sagging world oil prices. Ministerial sources said Mana Said al Oteiba left the meeting of

the Organization of Petroleum Exporting States because his Gulf state refused to abide by its existing quota. It will join traq in remaining outside a formal pact on produc-tion, they added. in a search for a compromis

that would put the best face on what several OPEC officials described as a desperate situation, the oil ministers agreed to suspend their official talks until Tuesday so they could privately confer on pos-

In a television interview just be-fore leaving for Rabat, Morocco, Mr. Oterba said that although OPEC was deeply divided about new output carbs, it was set to extend its current oil production ceiling of 15.06 million barrels a day until the end of the year. The output part, reached in De-ember, was to expire at the end of

"The prevailing feeling is that this agreement due to expire will be extended until the organization convenes in December," he said in an interview with Abu Dhabi television taped in Vienna and broad-

this month.

Mr. Oteiba left the meeting Sunday after an auditors report presented at a closed-door session revealed that his nation pumped 1.25 million barrels a day in May, far more than its official quota of 948,000 barrels.

The auditors report identified the United Arab Emirates, Iraq Ecuador and Iran as the primary cheaters on output quotas, delega-tion sources said.

Mr. Oteiba flew to Rabat to meet with Zayed ben Sultan al-Nahyan, president of the United Arab Emirates, after the OPEC ministers informally decided to extend the December pact. The accord is aimed at buoying oil prices, currently at \$16 a barrel, to a targeted \$18 a

Most experts now see oil prices headed for a significant slide in the late summer and early winter. said the emirates' deputy oil minister would sit in for Mr. Oteiba

"The conference has given us a quota of 948,000 barrels a day," Mr. Oteiba said in the interview. "This quota was unreasonable and imaginary. However, we would like to reaffirm here our commitment to ing EC summit in Hanover, such as all OPEC resolutions except the liberalizing capital flows," Mr.

By Jonathan Peterson

Los Angeles Times Service
LOS ANGELES — A strong upward pattern

in prices of industrial raw materials and other

basic commodities in recent months suggests that after years of slumber, inflation is emerg-

The latest evidence that inflation is smolder-

ing just below the consumer level came Friday

with a Department of Commerce report show-

ing that wholesale prices, led by food costs, rose

The government report, combined with vig-

orous manufacturing activity and soaring prices for such basic materials as plastics and

aluminum, has convinced many economists

that inflation is departing the 3 percent range of

recent years and rising toward a level of 5

In the Department of Commerce report, food

prices - which tend to bounce around from

nonth to month — loomed as a key factor behind inflation, at least in the short term. The

category jumped 0.9 percent in May, which calculates to a double-digit annual rate, reflect-

ing higher prices for a variety of products including pork, processed chickens, bakery

Analysts were particularly interested, howev-

ing as a factor in the U.S. economy.

at a 5.8 percent annual rate in May.

percent or higher.

products and vegetables.

when the talks resume Tuesday.

McDonald's Is Tackling Paris — Again

Going After The Mantle Of No. 1

By Steven Greenhouse New York Times Service

PARIS - Six years ago, Mc-Donald's here was a model of everything the company tries not to be. In one Paris McDonald's, raw french fries were stored next to trash bags.

To enter the McDonald's near

the St. Lazare rail terminal, customers had to pass through the arcade of a porno movie theater.

At a McDonald's on the Champs-Elysées, not only was the name misspelled out front, but the frying oil was the color of crankcase oil and open cans of insect spray stood atop boxes of

Big Mac sance.
"They were really disgusting."
said Thomas Allin, the head of
development for McDonald's Europe who was called in to turn around the French operation "The only thing those restaurants had in common with other Mc-Donald's was the name they had outside the door."

The company sued to oust the Paris franchisee and have all the McDonald's in Paris closed. After a victorious four-year legal battle, McDonald's has re-established itself as one of the most popular French fast-food chains. Perhaps the most dramatic sign

of that recovery was its opening last month of a handsome 400seat restaurant on the Champs-Elysées, the landmark boulevard that for many is the heart of Par-"The world's leading fast-food chain just has to have a restaurant

on the Champs-Elysées," said Philippe Hersant, a restaurant analyst with GIRA, a French agribusiness consulting firm. "It's a symbol for the French market." Unaccustomed to being an also-ran, the company now is



After four years of legal battles, the golden arches have reappeared near the Arc de Triomphe.

vowing that it will become No. 1 in fast food in France before the end of this year. It is now No. 2, behind Quick, a French chain. "They're a little irritated by that," said Georges Plassat, presi-

Being first is a matter that goes far beyond ego. France is the key to McDonald's European strategy; the land famed for its twohour, six-course lunch is largely

untapped for fast food. McDonald's has 67 restaurants in France, far behind the 270 in Britain and the 270 in West Germany. McDonald's hopes to have 270 restaurants in France, too, in the next five to 10 years.

Not only that, fast food to date represents only 4 percent of commercial meals eaten in France, compared with 12 percent in Britain and 40 percent in the United

"France is still early on Mc-Donald's curve because of all the

problems with their franchisee," said John Rohs, an analyst with Wertheim Schroeder in New York, "McDonald's feels that France is a market that offers considerable opportunity."

Growth abroad is critical to McDonald's as competition in-tensifies in the U.S. fast-food market, not only from other hamburger-makers but also from pizza and taco outlets. "International is one of the key

growth areas of the future," said James Cantalupo, president of McDonald's International, "And we're off to the races in France."

McDonald's is already posting a faster rate of growth overseas than in the United States. While 24 percent of the 10,100 McDonald's restaurants are outside the United States, about 40 percent of the 500 restaurants McDonald's opens each year are over-

As for the potential of Western Europe, Mr. Cantalupo pointed out that while its population is 45 percent larger than that of the United States, "We have only one-tenth the number of restaurants in operation there."

Becoming No. 1 -- and turning France into a nation of burger eaters - will not be easy.

"For many French people there is an association that good food is French and fast food is American and foreign and had," said Michel Crozier, a leading French sociologist.

The company, however, is making progress. It has largely overcome the dismal image left by its former franchisee, an image that was so bad that assistants to the mayor of Paris warned the heads of the city's 20 arrondisse-

See MAC, Page 15

Kohl Expects Delay in Goal of Europe Currency

By Ferdinand Protzman

International Herald Tribune FRANKFURT - The West form German chancellor, Helmut Kohl, said Sunday that creation of a Euwill push for liberalization of capital flows in the EC, indicated that he considers a common European

"I am firmly committed to reaching further decisions at the upcom-

commemorating the 40th anniver- and some analysts believe no agreesary of West German currency rement on the issue will be reached in decentralized organization."

The vision of a European union is most certainly closely bound ropean currency union would be with that of a European currency discussed at the European Communion," he said. "For the further

Mr. Kohl's conservative coalition government has made liberalcurrency or central bank to be a ization of the flow of capital its longer-range possibility, subject to chief objective for the meetings, specific West German conditions. and the Bundesbank president, tive experiences we Germans have institutions," he said, adding howmost important step toward a currency union.

French and Italian financial offi-

U.S. Inflation Smoldering Below Consumer Level

and corn at a time when farmers have been

Soybeans, for example, have risen from \$5 a bushel last summer to a current level in the

range of \$9 a bushel, said Stanley M. Bedows, a

Dean Witter Revnolds in Chicago, Corn has

Future price increases are 99 percent depen-

dent on weather conditions right now, said Mr.

Bedows, noting that the period through August

"There has been pressure on prices from various sources," said Harold C. Nathan, a vice president and senior financial economist with

Wells Fargo Bank in San Francisco. "It's not

explosive pressure, but I think we'll see contin-

robust U.S. manufacturing sector. With the aid

of a weaker dollar, many factories are running

at levels not observed in years. Moreover, there

are signs that the three-year fall in the dollar's

value is being reflected in higher import prices. Clothing prices, for example, which include

huge import volumes, rose an extraordinary 2 percent both in March and April.

inflation that raged in the late 1970s. Labor

Few experts foresee the kind of rampant

The momentum arises in large part from a

gone up from \$1.50 a bushel to about \$2.50.

amodity futures trader with the firm of

taking acreage out of production.

would prove crucial for grain.

ued upward momentum.

the EC summit meetings scheduled in Hanover, West Germany,

At the symposium, Mr. Kohl also outlined the conditions under

etary policy Let me add that for me it is selfevident that the thoroughly posi-

creases in basic materials onto consumers. In

addition, the Federal Reserve Roard seems de-

termined to combat economic overheating with

economist with the Futures Group, a private

plastic resins used in automobiles, toys and construction products jumped 21.5 percent in

the year following May 1987, according to

Frantz R. Price, a commodities analyst with the

went up 26,5 percent. Copper and brass prod-

"More and more these days, the good news about the economy is being translated into bad news about inflation," said Mr. Price, whose

company predicts an upward drift of inflation

In the paper industry, operating at close to

ent over the last 12 months. Moreover, U.S. industry's ability to meet any added demand is limited by the fact that various industries, such

100 percent of capability, prices have risen 11

as chemical and plastic producers, methodical-

ly cut back their size in recent years.

In the same period, aluminum mill products

consulting company in Washington.

There is absolutely no evidence that we're in

higher interest rates.

WEFA Group,

ucts soared 32.5 percent.

to 5 percent by 1990.

Karl Otto Pöhl, has called it the had with our conception of the ever, that "one must admit that the Bundesbank must be the guiding principle for the European development," he said. "Here I mean the cal crowning of this integration (UPL, Renters) Kohl said here at a symposium cials have raised recent objections obligation to monetary stability. process."

position that a single European

discussed at the European Community's summit meeting starting development of the European development pendence in guiding national mon- by the market are the most impor-

tant conditions. "These things are more important than the establishment of new creation and switch from there to a unified currency would be the logi-

Currently, however, only a small core of European currencies meet the Bundeshank's conditions, he said, and he listed specific instances of what must change.

for all European currencies means removing all controls on capital flows and liberalizing the flows," he said. "It also means abolishing special rules on exchange-rate a wage-price spiral right now, but there are things to worry about," said Sandra Shaber, an mechanisms, in other words, reducing the width of the Italian currency range."

Especially, he said, it means the One area economists are watching closely is basic materials used in manufacturing, such as pean monetary system. metals and plastics. For example, the price of

revealed in a budget address in De-cember by King Fahd, who said the kingdom was foraging for ways to finance a projected 1988 budget deficit of 35.9 billion rivals (\$9.6

Bankers now expect a series of Mr. Pohl reiterated those three bond offerings, probably at weekly thernes, along with the Bundeshank intervals, throughout the rest of the year, although only banks in Saudi Arabia will be allowed to subscribe.

rather than an immediate priority.

an monetary system, it is thus necof the Bundesbank's stance that a ibility of currencies without himword of the forthcoming offer was
Mr. Kohl, who also said that he essary to keep this ultimate goal in European currency and central drance or exchange controls and leaked. Banks scrambled to borrow bank must not infringe on its inde- with stable rates that are justified money, fearing that a rush of gov-

"Creating the same prerequisites

entrance of Britain into the Euro-

ernment bond issues could squeeze Saudi Arabia has sometimes cut

its oil output to prop up world oil prices. As a result of such moves and weak prices, the kingdom has been forced to draw on more than \$40 billion of its foreign reserves to bridge a series of budget deficits since 1983.

BSL

BUSINESS SCHOOL LAUSANNE Evening M.B.A. Program tives available in Business Policy, Ethics, Money & Banking and Global Marketing.

Global Marketing. Also M.S. in M.I.S. Closses start: August 8th, 1988 at à p.m. Contact- Admissions Officer e ave. Ed. Dopples or P.O. Box 2290 1002 LAUSANNE, Switzerland. Tel.: 021/27 38 33.

NOTICE OF INVITATION TO TENDER FOR **ENHANCEMENT OF** INTERNATIONAL SERVICES **FOR**

EMPRESA PÚBLICA DE TELECOMUNICAÇÕES (EPTEL) OF THE PEOPLES REPUBLIC OF ANGOLA

The project is for the enhancement of the International Telecommunications Service and is to be funded by the African Development Bank. Tenders are invited internationally for the following lots:

- A Stored Program Controlled Digital International Telephone Exchange.
- 2. A Stored Program Controlled Digital International Telex Exchange (with associated Packet Switching and Data Communications Equipment).
- 3. Enhancement of a Standard Ti Earth Station.
- 4. A Microwave Route with associated Transmission Equipment.

Four separate tender documents for each of these parts of the project will be evailable from 15th June 1988 at:

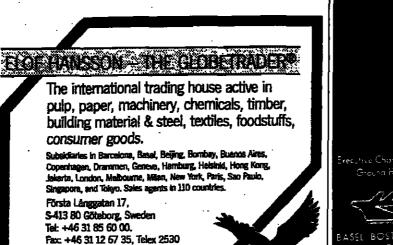
Angola Project Office - Room A107, British Telconsult Aeradio House, Hayes Road, Southall, Middlesex UB2 5NJ Tel: + 44 1 843 2411. Telex: 24114 (BTIAL G). Fax: + 44 1 571 7244 The tender documents will only be made available to official tenderers'

representatives in possession of an official company letter upon full identification of the potential tenderer and presentation of a payment of £200 in sterling for each lot required. payable by bankers draft in favour of British Telennsult. Tenders must be delivered as directed in the Invitation to Tender. Documents to

arrive not later than Middley on the 7th September 1988. Tenderers will be notified in writing or by relex of the place, date and time of the opening of tenders. Annual Guardia Water British State Color Color and Albert Annual

Fax: +46 31 12 67 35, Telex 2530





er, in the potential effects of a two-month costs have risen only modestly this year. As drought in the farm belt that threatens this U.S. companies battle to regain their competi-

year's harvest of such basic grains as soybeans tiveness, they do not inevitably pass price in-



Bollar Straights

Conado

Mutual

Funds

Artel
Artel
Equity p
Inco
Social p
Social p
Social
Social
TxF Ls
US Gov
WshA !
Cassione
EqGurd
Fd SW
Incom
PBHG
Trand
Curregie
Cu

W YORK (AP)—
| fellowing suctod. supplied by the
local Association
| Securities Over| Inc. are the pricul which Meso
| rities could have
| sold (Not Asset)
| or beusting
| or beu

5.29 5.55 7.55 7.93 9.45 10.13 8.92 9.49 8.49 9.12 9.97 10.07 6.75 9.14 9.40

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30 Prices may vary according to market conditions and other factors.

Mitsub Fin 2
Mitsub Shi 2
Mitsubishi Mitsub Tsi 2
Mitsubishi Mitsui Tsi 2
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C B
N C

Con Mat Price Mat Trsy

9,49 +105 9,23 +110 9,16 +111 9,16 +111 9,16 +175 9,18 +106 9,44 +106 9,44 +109 9,44 +101 9,45 +111 9,45 +111 10,25 +129 10,24 +129 9,44 +191 9,45 +111 9,45 +114 9,47 +117

Ask | Ask | Solid | Ask | Solid | NL | Copp. | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 |

Tech to Rt US Ger Keyntone:

CusB2t CusB2t CusB3t:
CusB2t CusB3t:
CusB

8.17 8.17 8.17 8.17 8.17 8.17 8.17 9.28 9.25 9.25 9.25 9.25 9.24 9.23 9.27 9.27 9.27 9.27 9.27 9.27 14.67 14.75 15.28 15.00 15.66 15.27 14.68 14.84 14.85 9.24 NL 9.24 NL 9.24 NL 9.23 NL 9.23

7.94 NL
70.42 NL
70.42 NL
70.42 NL
70.41 NL

ff: 9.67 10.43 9.68 10.44 7.35 7.92 10.28 11.06 2.95 3.10 10.51 11.03 9.89 10.38 10.59 11.11

Commons 1 14.50 NL Commons 15.50 NL Comm

84 Ask | 11,48 LSC | 7,08 7,43 | 9,45 9,45 9,45 9,45 9,45 9,45 9,45 1,25 11,25

Gyrich Gy

| 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

Special Specia

S E X S E K S E M

Coff 197 NL
Copy 1

Asiall p

Asiall

9.54 +110 9.88 +100 9.82 +110 9.22 +1110 9.11 +114 9.40 +117 9.40 +117 9.40 +117 9.41 +110 8.94 +117 9.41 +110 8.94 +110 9.42 +110 9.44 +110 9.45 +110 9.46 +110 9.47 +110 9.48 +110 9.48 +110 9.49 +110 9.40 +110 9.41 +125 8.63 +125 8.64 +176 9.64 +107 9.64 +107 9.64 +107 9.74 +125 8.65 +125 8.64 +176 9.64 +107 9.65 +107 9.65 +107 9.67 +107

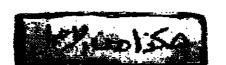
Westdeutsche Landesbank, Head Office, P.O. Box 1128, 4000 Düsselderi 1 International Bond Trading and Sales: Telephone (211) 8 26 3122/8 26 37 41 3 - Telex 8 581 881/8 581 882 Westdeutsche Landesbank, 41, Moorgate, London EC2R 6AE/UK Telephone (1) 638 6141, Telex 887 984

WestLB international S.A., 32-34, boulevard Grande-Duchesse Charlotte Luxembourg, Telephone (352) 44741-43, Telex 1678

Westdeutsche Landesbank, BA Tower. 36th Floor, 12 Hercourt Road Hong Kong. Telephone (5) 8 42 02 88, Telex 75142 HX One of the leading Marketmakers

Westdeutsche Landesbank

هكذامن الرحل



New International Bond Issues

Compiled by Bassam Aoun

			- CO114P.	of		A
Issuer	Amount (millions)	Mat,	Coup.	Price	Price end week	Terms
DATING RATE NO	TES	-				
es Funding mber One	£ 200	2018	0.325	100	-	Over 3 month Libor until 1999 and ½ over thereafter. Average His 7½ years. Fees 0.45%. Denominations £100,000.
tional Anglia king Society	£75	. 1998	%	100	-	Over 3-month Ethos, Average life 8 years, Fees 0.75% Decominations £10,000.
3ED-COUPON			_	;		as.
vericon General	\$100	1995	9%	101%	99.95	Noncolicitie Feet 1966.
port Development	\$150	1998	91/2	107	99.60	Novalishin Feet 2%
olima	\$100	. 1993	91/4	701条		Noncolable fees 1966.
Bank nembourg)	\$ 40	1993	zero	65.52		Yield 9,20%, Noncolloble, Proceeds \$25.9 trailion, Fees 197%, Decominations \$100,000.
ws intil	\$730	1991	8%	100%	-	Exchangeoble is 1969 for a 4-year PEN paying ¼ over 3 most libor. Fees 1966. Denominations \$10,000, lacrosed from \$100 million.
toil	\$250	1992	9%	101%		Naccollable. Fees 198%.
xid Bank	\$300	1993	9	1011	99.95	Noncollable, Fees 1975.
to	DM 200	1993	5%	101	~	Noncollobia, Fees 2%.
otsche Bank ance	DM 500	1993	51/4	100%		Noncollable. Fees not disclosed.
ming Finance	DM 200	1998	6%	100%		Noncolichia. Fees 2/26.
ak Telefon	DM 100	1995	6	100	_=	Noncollable, Fees 24%.
iopean investment sk	£70	1994	9%	100%	-	Noncollobie. Fee: 197%.
ik Organisation	£ 50	2008	10%	99.935		Noncollable. 50% due on subscription and balance in Jan. Fees not disclosed, Denominations £10,000.
nk Mees & Hope	DF 100	1993	5%	99%		Nancollable private placement, Feet 1%.
minission of opean minumities	ECU 500	1994	7%	101%		Noncolloble, Fees 192%.
			:			

nk Mees & Hope	DF 100	1993	5%	99%		Noncoliable private placement, Feet 1%.
inmission of opean inmunities	ECU 500	1994	7%	101%	_	Noncolloble, Fees 190%.
deit foncier de	ECU 70	1994	7%	101%		Noncallable, Fees 1%%, Denominations 10,000 ecus.
idit National	ECU 150	1991	71/4	101%	-	Noncollobie, Fees 1965.
LK-CGER Finance	CS 75	1991	10%	101%		Noncolloble. Feet 1966.
śdił Lyonnais	CS 75	1991	10%	10114	100,00	Noncollable. Fees 14%.
rd Credit Canada	CS 100 .	1993	1014	· 101%	99.68	Noncolicida, Foes 196%,
pobank Int'l	C\$ 75	1992	10%	101%	99.75	Noncollable. Fees 196%.
.)ECO	C\$ 100	1993	101/2	10114	99.50	Noncafable. Fees 17/%
mitoba Province	C\$ 150	1998	9%	103	99.38	Redecable at par in 1992. Fees 1993.
intreol Trustco	cs 100	1993	10%	101%	99.88	Noncollable. Fees 1%%.
yal Bonk of Boda (Nassau)	cs 100	1991	10%	101.35	100.15	Noncollable. Fees 1%%.
timest	Aus\$ 50	1991	131/2	107.20	100,30	Noncollable. Fees 11/2%.
smarks Kraftgrupp	Aus\$ 70	1992	13	1011/2	99.38	Noncoliable, Fees 136%.
Indord Electrik senz Finance	Aus\$ 40	1991	13	1011/2	99.88	Noncolloble, Fees 1925.
ento Dominion	Aus\$ 50	1991	1314	1011/2	100,00	Noncollable. Fees 1994.

					<u>. </u>	Redemption amount at maturity will be linked to the dollar- /yen exchange rate. Fees 1966. Denominations 50 million yen.
ciuto Bascano San Solo di Torino	Y 10,000	1992	71/4	101%	. _	Collable and redeemable at parin 1991. Redemption amount of maturity will be linked to the level of the Niktai 225 stack index. Fees 116%. Denominations 100 million yen.
insaliis-Osake-	Y 6,500	1993	zero	82.195		Yield 4.72%, Nancollable private placement, Proceeds 5.2 billion year, Fees 1966, Denominations 100 million year.
sur & Company	y 10,000	1993	5	101%		Nonzellable. Redemption at maturity will be in dollars at a fixed exchange rate of 122 year per dollar. Fees 1 1/1/6.
K htl	Y 10,000	1993	5	101%	_	Noncollable. Redemption at maturity will be in dollars at a fixed exchange rate of 122 yea per dollar, Fees 1%%.
ENHEW (AMPER)						

-- Course will be 4% in first 2 years and 64% therefore

97.25 Noncollable, Each \$5,000 note with one warrant ex

into company's shares of 1,169 year per share and at 126.25 year per dollar. Fees 267%.

Aus\$ 150 1993 12% 101% 100,00 Noncolichie. Fees 1%%.

10134

1992 4

\$300 1993 41/4 100

Sipyer Company	\$40	1993	4%	100		Noncollable, bach \$3,000 note with one warrant exists some into company's shares at 872 year per share and at 126,70 year per dollar, Feas 21474.
rado Sonso	\$50	1993	4/4	100		Noncollable. Each \$5,000 note with one warrant exercisable into company's sharts at 779 yen per share and at 126.30 yen per dollar. Fees 24%.
obodyear Tire &	\$150	2003	open	100	98.00	Coupon indicated at 640%. Callable at 103 in 1991. Convertible. Fees 201%.
relia Kosakusho	\$ 50	1993	41/4	100	_	Noncollable. Each \$5,000 note with one warrunt exercisable into company's shares at 1,405 yea per share and at 126,70 yea per dollar. Fees 256%.
~	#100	1002		700	107.00	Courses instingted at 41/26. Noncreigble, Each \$5,000 agts

W	ibber is	\$100	1773	open		101.00	with one warrant exercisable into company's shores at an expected 256% premium, Fees 256%. Terms to be set June 16.
si A	No Spring Works	\$ 40	1993	434	100	98,00	Nancollable. Each \$5,000 note with one warrant exercisable into company's shares at 846 yen per share and at 126.70 yen per dollar. Fees 216%.
<u>د</u> س	kusci Securities	\$100	1993	open	100	102.13	Coupon indicated at 454%. Noncalicide. Each \$5,000 note with one warrant exercisable into company's shares of an expected 254% premium. Fees 254%. Terms to be set June 16.
日本の数	subishi Kosei	\$200	1993	open	100	101.88	Coupon indicated at 45%. Noncritable, Each \$5,000 note with one womant exercisable into company's shorts of an expected 25% premium. Fees 25%. Terms to be set June 16.
NA U	tosan Securities	\$ 50	1993	орел	100	100.50	Coupon indicated at 44%. Noncellable, Each \$5,000 note

	· f						expected 277A prestation ross 2.4.A. refile to the 301 1044 104
A	tosan Securities	\$ 50	1993	орел	100	100.50	Coupon indicated at 44/%. Noncollable, Each \$5,000 note with one warrant exercisable into company's shares of an expected 25/% premium. Fees 25/%. Terms to be set June 21.
10 10	pporo Breweries	\$300	1993	41%	100	100,25	Noncollable. Each \$5,000 note with one warrant exercisable into company's shares at 1,835 yen per share and at 125.75 yen per dollar.
発表の対象	inko Shoji	\$ 65	1993	41/4	100		Noncallable, 5och \$5,000 note with one warrant averascale into company's shares of 1,825 yen per share and at 127,40 yen per dollar. Fees 284%.
,	okyu Land	\$150	1993	open	100	101,25	Coupon indicated at 44%, Noncollable, Each \$5,000 note with one warrant enercisable into company's shares at an

L	•						
okyu Land	\$150	1993	open .	100		Coupon indicated at 41%. Noncollable, Each \$5,000 note with one warrant exercisable into company's shores at an expected 25% premium. Fees 24%. Terms to be set June 14.	
р Сотролу	\$150	1993	41/2	100		Noncollable. Each \$5,000 note with one warrant exercisable into company's shares at 2,2% yes per share and at 125.75 yes per dollar.	
etko Securities	£ 50	1993	41/2	100	100.75	Foch \$5,000 note with one warrant exercisable into compony's shares at 2,050 year per share and at 231.29 year per	

ideo Securities	£ 50	1993	41/2	100	100.75	Each \$5,000 note with one warrant exercisable into compony's shares at 2,050 yen per share and at 231,29 yen per pound, Fees 2/4%,
auto Securities	£ 50	1994	5%	100		Each \$5,000 note with one warrant exercisable into company's shares at 2,050 year per share and at 231,29 year per pound. Fees 24%.

Turkey Limits Foreign Loans

FOR THE PORT OF TH

and Bank

ISTANBUL — Turkey tightened its rules Sunday on overseas borrowing in an attempt to reduce its foreign

No government agency may enter negotiations with potenin the state of th the Anatolian news agency

said. Private companies also must inform a government gency if they want to seek The Foreign Debt Strategy Group said that poorly planned efforts to raise foreign cans had lowered estimations

Turkey's creditworthiness and caused a sharp rise in the foreign debt, which totaled \$40.8 billion at the end of 1987. State agencies will now have to prove that their needs correspond

POUND: Strength Seen for 1988

(Continued from first finance page) (Continued from first finance page) licy and instead have to tie itself to the West Germany economy? If and monetary growth is over target,

Geoffrey Dennis, an economist with the London stockbrokers James Capel & Co., believes it will "take longer and longer" for Mr. Lawson to justify another rate cut, but that the chancellor of the Exchequer will nonetheless reduce rates if the pound rises sharply.

Mr. Lawson's pledge to prevent a surge in inflation has lacked credibility in the past, and now is facing a crucial test, economists say. What is needed is both a higher pound and higher interest rates: That would represent a true tight-ening of monetary conditions," Mr. Brown said. "These short-term

movements of the exchange rate do not represent any real tightening of monetary conditions." "Does it make any sense," he asked, "for a country like Britain which is outstripping the economy with a large economy, in European my's capacity to produce, will lead terms, to be saying thay it cannot to a widening trade imbalance.

run an independent monetary po-Germany can have an independent monetary policy, based on a nar-rowly defined domestic monetary aggregate, why can't Britain?"

The interest-rate differential in

Britain's favor is expected to be the main focus in coming months for traders, who are bored by currency plays in the relatively steady dollar and Deutsche mark sectors. For the next quarter or two, a number of economists argue, high rates and robust growth in the economy will overshadow longer-term concerns about Britain's deteriorating trade

After expanding 4.5 percent last year, Britain's economy is expected to grow 3.5 percent this year, outpacing the average 3 percent for the 24 nations in the Organization for Economic Cooperation and Development. Robust domestic demand.

Paris Club Agrees on Yugoslav Debt

BELGRADE - Fifteen Westcan creditor countries and Kuwait, members of the so-called Paris Club, have agreed to reschedule nearly \$1 billion of Yugoslavia's debt, the state news agency Tanjug

In an article from Paris, Tanjug said Saturday that the agreement with the Yngoslav government, involving a total of \$946 million of after two days of "lengthy, exhaustive and delicate negotiations."

Finance Secretary Svetozar Rikansaid.

The agreement, rumored since last week, reschedules Yngoslav debts and interest due between April 1, 1988, and June 30, 1989 the period covered by a standby arrangement with the international Monetary Fund, Tanjug said.

The postponement of repayments is for 10 years, with a six-The Yugoslav delegation, led by year grace period.

during the week of May 30, which

The tight supply conditions that have contributed to the price im-

provement in the government secu-

October stock market collapse, re-

cently has been staging a slow, ten-

Through May, the volume of cor-

porate bonds and notes rated by Moody's Investors Service has fall-

en by 18.6 percent from a year ago.

Last month, however, nearly \$3

conditions in the market are so fa-

U.S. Consumer Rates

7,78 %

6.62 %

Mr. Moran said.

tative recovery.

ovic, is satisfied with the agree-ment, although they did not obtain scheduling, until 1995, of debts all they had expected, the report amounting to nearly \$4 billion, de-

pending on how fast Yugoslavia carries out its economic reform and on future agreements with the IMF, the report said. The debt arrangements came as

the Yugoslav government has adopted a series of austerity measures to curb galloping inflation. which set off a wave of social un-

Yugoslavia's total foreign debt stands at about \$20 billion.

Baker Rejects French Plan

WASHINGTON - The U.S. Treasury secretary, James A. Baker 3d. said Sunday that he does not expect the United States to follow a French suggestion to forgive part of the developing world's debt, Asked about the U.S. answer to the French plan, which will be formally proposed at the economic summit in Toronto starting June 19. Mr. Baker said in an ABC interview: "We can't forgive debts without going to Congress and asking for an appropriation." Mr. Baker, however, reaffirmed his call for help to the poorest

African nations, as opposed to middle-income Latin America countries. President François Mitterrand has said that France plans to go ahead with its plan despite the reaction at Toronto.

Mr. Baker also said that he had no plans to leave the administration to join Vice President George Bush's bid for the presidency.

U.S. Rates Appear Stable But Calm Could Be Brief

New York Times Service NEW YORK — Conditions that have enabled long-term U.S. interest rates to stabilize at around 9 percent should remain in place for a bit below 9 percent, but that's it," the next few weeks, according to credit market analysts, but the

calm will be fairly brief.

The pressure of higher levels of inflation is likely to reassert itself as a force in the market later on this summer, pushing rates higher once again, they say.

Market participants cite a number of the markets are also prevalent in the government section in

U.S. CREDIT MARKETS

ber of reasons to support the case that interest rates are likely to remain fairly stable, for the moment

Among them are a dollar that has not lost or gained more than Most of that overall decline results about 1 percent of its value against from a 55.5 percent drop in the key foreign carrencies since the public issuance of new junk bonds. start of the year, and that shows little sign of altering that pattern

billion of new high-yield debt was issued, the highest monthly total since \$3.62 billion were issued in The market also has benenieu since some from favorable supply conditions September.

Barring a new equity calamity "Barring a new equity calamity of recession buying by both domestic and for-eign customers.

or the re-emergence of recession worries, new speculative-grade debt should continue to pour into

the bond market right now is re-newed interest by foreigners in the economist at Moody's. dollar," said Lawrence A. Kndlow, Although a host of new econom-chief economist at Bear Stearns & ic data are scheduled to be released Co. Inc. "We are not seeing a tidal this week, including U.S. merchanwave of buying. Just a little bit of dise trade figures for April, current

Analysts at Salomon Brothers re-vorable right now that analysts are ported in the firm's weekly "Com-ments on Credit" that according to much impact on bond prices. preliminary data, private foreign purchases of U.S. government sepurchases of U.S. government se-curities exceeded \$7 billion in the first quarter, the strongest showing since the second quarter of 1986. Finally, the Federal Reserve

Board, which moved to tighten monetary policy three times between March and May, appears satisfied with its recent steps.
"Our clients think things look pretty good for the near term," said John Lilley, an economist at MMS

International, a financial forecas

ing and consulting firm in Red-wood City, California. Through the remainder of June and perhaps into July we can expect to see this good tone in the marketplace," said Michael J. Securities America. "But over the

pushing the economy above the levels at which it can grow without fueling inflation," he said. "But down the road we will start to see

prices moving up."

Indeed, while market participants shrugged off another rise in showing that wholesale prices posted a slightly worrisome increase in May, the fear of inflation seems to be the biggest single impediment to a further rally.
In spite of the positive factors

mentioned, yields on the Treasury's 9% percent bonds maturing in 2018 were stuck by the end of last week at 9.03 percent, the level they

I		
	June 8	.Au
U.S. S. int'l last, 1 yrs & over	9.51	9.
poblic issuers, it yes & ove	r 9.41	9.
ejher issuers, i yrs & pver	9.43	9.
other baseers. 530 7 yrs	1,26	9.
Pounds starting, 5 to 7 yrs	9.30	9,
French ireacs, less then 3 yrs	. 8.70	2
ECIJ, 8 yes & over	B.09	8.5
5 to 7 yrs	7.27	7.
Cas, \$, 5 to 7 yrs	18.12	10,
Am. 5.5 to 7 yrs	13.25	13,
N.Z. S. less them 5 yrs	1525	143
Yes, S yes & over	543	6.0
5 to 7 yrs	5.00	51
Source: Luxemboura Stock B	xchang	£

Weekly Sales

75.29 --1.00 5.494.00 5,580.28 5 Nent 5 Nent 4.775.60 8.716.60 7.738.50 8.228.60 8.54.90 973.30 771.30 1,114.60 974.20 1,847.00 346.40 7,825.20 9,879.50 14.725.80 11.403.00

Treasury Bonds

ARAMC

ARAMCO offers for sale the following materials by sealed bid:

Qty. Location Portable and stationary G.E. Turbines with all components 7 EA Tapline Portable G.E. Turbine with electrical control vase Dhahran Stationary Mitsubishi Gas Turbines Ras Tanura Misc. Turbine Spares for General Electric Dhahran Misc. Turbines Spares for Brown Bovari Dhahran Misc. Turbine Spares for Mitsubishi Dhahran Misc, Turbine Spares for Werk Spoor Dhahran Misc. Turbine Spares for Mitsubishi Dhahran One Kenworth Dart model 1965 1 EA Tapline 125 tons Turbine Trailer and its convertion dolley model 1965 2 EA Tapline

IBM 3350 Direct Access Storage Device Dhahran Copies of the bids instructions are available at one of the following locations:

*Aramco Sales Unit, Building 3122, Room 111, Dhahran, Saudi Arabia. Tel: 874-7586 or 874-7655, Tlx: 801928/1 ARMS SJ

*Aramco Affairs Office, Nasiriyah Street, opposite King Faisal Specialist Hospital, Riyadh, Saudi Arabia, Tel: 441-0200

*Aramco Purchasing Office, Hada Center, Hada Street, Sharafiyah, Jeddah, Saudi Arabia. Tel: 653-4655

The items are available for viewing until july 3, 1988. Viewing to be arranged through Aramco Sales Unit in Dhahran,

Bid closing date is July 4, 1988

NEW ISSUE

Money Market Funds Deneghou's 7-Day Average

These Notes having been sold, this announcement appears as a matter of record only.

MAY, 1988

BFCE Banque Française du Commerce Extérieur

¥25,000,000,000

43/4 per cent. Notes due 1993

Unconditionally guaranteed by

The Republic of France

Issue Price 101¾ per cent.

IBJ International Limited

Bank of Tokyo Capital Markets Group

Bankers Trust International Limited

Banque Bruxelles Lambert S.A.

BNP Capital Markets Limited

Banque Paribas Capital Markets Limited

Credit Suisse First Boston Limited

Crédit Lyonnais Daiwa Europe Limited

Dresdner Bank Aktiengesellschaft

Kuwait Investment Company

LTCB International Limited

Mitsubishi Finance International Limited

Mitsubishi Trust International Limited

J.P. Morgan Securities Ltd.

Morgan Stanley International

Nippon Credit International Limited

Nomura International Limited

Société Générale

SBCI Swiss Bank Corporation Investment banking

S.G. Warburg Securities

Yasuda Trust Europe Limited

THE PARTY OF THE P

YORLD STOCKS IN REVIEW / Via Agence France Presse

TEW YORK - Prices on the New k Stock Exchange made an impres-advance last week, although the Dow es industrial average stopped short of ing at a level that would surpass any sh since the October market collapse the index of 30 major stocks did ach the 2,100 level, however, for the time since mid-April Rising 8,36 nts Friday, the Dow closed the week at (1)1.71. The indicator advanced 30.41

us, or 1.5 percent, for the week. a mid-afternoon Friday, the Dow was ad about 21 points, well above the collapse closing high of 2,110.08 set il 12. But it later retreated. he market's best day of the week was

dnesday, when the Dow surged 48.36 ats in the heaviest trading day of the . Analysis said market participants e putting aside their recent worries nt a possible acceleration in inflation. Johnne soared that day to 310.03 milshares, the sixth-highest total in nother world stock markets last week:

msterdam

rices on the Amsterdam Stock Exnge posted a modest gain last week, the ANP-CBS general share index ancing to only 254.5 by Friday's close n 249.2 a week earlier.

Analysis attributed the recovery to previous gains on Wall Street. The market was encouraged by a slight slowdown in the rise in U.S. interest rates and a firming in the dollar.

Frankfurt

Prices scored a modest gain on the Frankfurt Stock Exchange, with the Commerzbank index up by 9.9 points to a finish of 1,417.7.

Volume on the eight West German stock exchanges totaled 20.02 billion Deutsche marks, up from 15.93 billion the previous week.

In the electrical sector, RWE jumped 16 DM for the week, to 217.50, after announcing the purchase of Texaco's West German assets.

Hong Kong

Prices on the Hong Kong Stock Ex-change rose steadily last week, with the Hang Seng Index posting an impressive gain of 79.07 points to 2,647.42.

The broader-based Hong Kong Index shot up 54.45 points to close at 1,754.47. Average daily volume rose to 1.45 billion Hong Kong dollars from 861.4 million dollars the previous week.

to 8 percent, effective Tuesday.

The exchange will be closed on Mon- Milan day. Trading will resume Tuesday.

London

Prices followed an irregular upward path on the London Stock Exchange in a week marked by worries about the pound and the prospects for British interest rates. The Financial Times index of 30 industrial shares gained 23.8 points for the week, to end at 1,468.2.

The week began on a firm note although volume was thin as institutions to cope with the nation's budget deficit. kept to the sidelines. On Tuesday, volume picked up somewhat as share prices mitially firmed, encouraged by rumors of merger bids.

But in the food sector, Rowntree retreated on news that Nestle had decided to extend its £2.1 billion offer for the British confectioner without changing its terms. Prices then turned lower on profittaking. A strong rally in the pound also weighed on sentiment.

pressed as big institutions remained wary shout the outlook for interest rates.

On Wednesday, the market was de-

Trading on the Milan bourse was marked by caution last week, with stock prices managing only a slight gain. The Comit index finished Friday at 483.14, against 480.79 a week earlier.

Average volume was a modest 110 billion lire a day, down from 112 billion the previous week. Analysts said the cantion resulted from instability on foreign stock markets and fears of the effect of new taxes announced by the Italian Treasury

Trading concentrated on a few issues, particularly Ferruzzi-Montedison as rumors resurfaced that some of the group's companies would be sold. Montedison rose 2.9 percent for the week, Ferruzzi Agricola by 1.78 percent, and Standa by 10.54 percent.

Paris

Prices on the Paris Bourse chalked up another gain, seemingly unconcerne about the results of an impending final round of legislative elections Sunday. The Shares moved ahead Thursday, boost- CAC share price index finished at 350.4, Dealers said the Hang Seng was likely ed by a strong overnight close in New up from 335.2 the previous Friday, to turn lower this week following an an-

lapse. The Bourse indicator has risen 31 percent since the start of the year.

Singapore

Bouts of profit-taking on the Singapore stock market were well absorbed last week, with the Straits Times Industrial Index gaining a hefty 22.53 points to end Friday at 1,046.43, a high for the year.

Reports that foreign investment in Maaysia had increased considerably in the first four months of the year improved market sentiment. Interest in property and industrial stocks was strong.

Tokyo

Prices on the Tokyo Stock Exchange soared to record levels last week, with the Nikkei stock average breaching the 28,000 yen level for the first time before

closing the week below that threshhold. The Nikkei average ended the week at 27,920.02, for a moderate 18,33 year weekgain. The market was closed Saturday for a business recess.

On Thursday, the Nikkei index hit a record closing high of 28,072.02 yen after climbing to 28,148.77 yen at the end of a single comporate raider Tito Tettamanti the morning session, It was the first time gained control of the company.

nouncement Friday by local hanks of a and insurance sectors. The week ended half-point increase in the local prime rate, on a dull note.

percent below the level they had reached the average had topped 28,000 at the local prime rate, on a dull note. close of a day's trading.

The TSE index of all common stocks

listed on the first section gained 22.41 points over the week to 2,199,92.

Trading was extremely heavy at an average daily volume of 2.08 billion shares, up from 1.76 billion the previous week. Turnover amounted to 2.6 billion shares Thursday, the second-biggest single-day total since 2.83 billion shares changed hands on March 27, 1987.

The value of stocks traded last week swelled to 1.725 trillion yea, from 1.42 trillion ven.

Kunitoshi Hasegawa, a dealer at Dairchi Life Insurance Co., predicted that the Nikkei average would reach 30,000 this month

Zurich

Stock prices in Zurich managed a slight overall gain last week in hesitant trading The Credit Suisse index finished at 455.3. against 452.5 the previous Friday, while the Swiss Bank Corp. indicator ended at 505 against 500,

The majority of Swiss stocks advanced. In the industrial sector, Saurer saw a

SEC Plans Curb On No-Load Mutual Funds

New York Times Service WASHINGTON - The Securities and Exchange Commission has proposed a rule change that would significantly limit the fees that "no load," or no-charge, munual funds can pass on to shareholders.

If adopted, the SEC rule proposed Friday would pro-libit mutual funds that charge so-called 12b-1 fees from calling themselves no-load in their

sales bieraiure. It also would prohibit the funds from using the fees to pay expenses that were in-

curred in earlier years. SEC officials said that annual fees covering certain sales and promotional expenses ranged from two-tenths of 1 percent to 1.25 percent and were employed by about 1,120 funds, or about 52 percent of all mutual funds.

IAC: After Debacle, U.S. Fast-Foods Giant Takes Another Run at Paris

minued from first finance page) us to beware of McDonald's ming in their neighborhoods. fet even a revitalized McDon-'s faces stiff competition from er chains, not only from its pe-mal rival, Burger King, but also n Quick and Freetime, another

ressive French hamburger comn addition, France's 86,000 traonal cafés and bistros, while m from 200,000 in 1960, may to the fast-food challenge. And he are growing companies that fast-food a la française, such as

Croissanterie, which offers dwiches on a croissant at McDonald's headquarters in is Brook, Illinois, company offi-s say the biggest obstacle to with in France is the tight real te market. That, they say, is the non McDonald's France, which , year had revenue of \$102 milplans to add 15 restaurants a r down from 23 last year. IcDonald's officials complain

it takes years and the wealth of 3 is XIV to get good sites. Some astry officials estimate that Mc-Chamos-Elysées restaurant, its in the Paris area. lcDonald's has recovered in

s by following the tried-andident of McDonald's France. dized.

ber of French twists to its traditional menu. It adds less sugar and more mustard to its salad dressings to accommodate the French palate. It serves beer and Evian mineral water. Since the French are fond of rant is a little like being on the Sunday family dinners, McDon-moon."

ald's has made a big puch to fam-lies by offering free gifts to chil-In the view of Mr. Hersant, French

dren on Sunday.

In France, it is a different crowd

Big Mac, small fries and milk shake that eats fast food than in the Unit
cost 30.50 francs or about \$5.25

French prices are higher than U.S.

ultimately render the French palate

less sophisticated, and thereby un-

dermine France's tradition of haute

cording to Mr. Allin. "Our message

is we're a new choice on the mar-

ket; we're another alternative.

We're not trying to replace French

ansine. That's not possible."

Such worries are overblown, ac-

value-added tax.

'Our message is we're a new choice on the market; we're another alternative. We're not trying to replace French cuisine. That's not possible.'

Thomas Allin, McDonald's Europe

ed States. Fast-food resturants be- while the same meal in New York gan as roadside eateries in the would cost \$4.30. Executives in the French fast-United States, but in France, most McDonald's and other fast-food chains are located in the cities. food industry acknowledge that

In the United States, everyone prices because of higher labor and from schoolchildren to stockbroreal estate costs and an 18.6 percent kers seem to gobble fast food; in iald's had to pay more than \$6 France, it is popular among a more Meanwhile, many food critics ion to take over the lease for its sophisticated crowd, many of and restaurateurs fret that the inwhom first sampled it while creasing popularity of fast food will

French blue-collar and factory workers seem to eschew fast food in formula it has used around the favor of the hundreds of unpretend "We're trying to use the Mo- tious cafeterias in shopping centers ald's system of doing things, and on superhighways. Many we've tried to add a French workers, including white-collar em-ext to it," said Robbin Hedges, ployees, prefer France's company 34-year-old Virginian who is canteens, which are often subsi-

icDonald's has added a nam- "You don't find any blue-collar

impressive because of the early problems.

The problems facing McDon ald's were a mixed blessing for its competitors. On one hand, the Mc-Donald's woes created a negative image for fast food in France and slowed efforts to wean French people from their bistros and croques

On the positive side, according to Freetime's Mr. Moore, "It provided a good opportunity for all competitors to make mistakes. If McDonald's was there, the margin for error would have been greatly

In developing their post-Dayan strategy, McDonald's officials quickly focused on the family. Traitionally, children hated stuffy French restaurants as much as the restaurants hated having the chil-

Other fast-food chains have adopted different strategies. The largest, Quick, which grew rapidly in 1986 when it purchased 20 former McDonald's restaurants from Mr. Dayan, has 81 outlets. Its sales last year were \$114 million. It hopes to stay ahead by putting units in shopping center parking

Freetime, with 44 restaurants and sales last year of \$70 million, attracts a young adult crowd and has added a French touch with such items as a "longburger," a rectangular hamburger on a baguette-like bun.

Also, there is Burger King with 15 restaurants in the Paris area and For McDonald's, the comeback . 1987, revenue of \$30, million.

1 10 10 126 3% 3% 20 4% 4%

121/2 15 17/6 20

American Exchange Options

11 de 12 de Seroi. 37-4 37-4 10-20-10 18-1 19-1 19-1 19-1 19-1 23-1 23-1 23-1 23-1 Hershinds Inco 17% 17% 17% 17% 50 s 50 256 55 3-14 55 3-14 5 5-14 5 MACO MACA 75% 75% 75% 75% 75% T Fleetu
23/4
23/6
GT E
40 37/6
40 GenRe
F SS
C GenRe
C Gillet
4 37/6
Gillet
5 37/6
Gillet
22
22
Gentlike 26% 26% CVN 25% 25% Cotorp 64% Contail 48% Cotus 12% 12% 12% 26% 26% Zenith 24% 24% 34%

Made With the sample of the sa Calcin Ca でですで終っていますですが発生するですですが動物ですでする。 1. The section of the section of

| 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% | 77% United Limited Little State of Little STEINING SEATTHE TO THE SEATTH SEATTHEAST SEATTH S And the second s

Puts

Option & price Calls

VAS REGAI If you don't deserve it, who does?

NASDAO National Market OTC Consolidated trading for week ended Friday

1,045 5.3 .40 2.4 .24 1.7 .40 5.6 .44 2.1 .80 5.1

WCRS
WDS0
WDS0
WDS0
WTS0
WTS0
WTS0
WTS0
WISING
WISING
WOISING
WOISING | Les | Jul

MONDAY SPORTS

NBA Game 3: Defense

By Andrew Cotton

PONTIAC, Mighigan -There was a time when the idea of a National Baskethali Association championship sense be-tween Les Angeles and Detroit sent the mind racing in anticipation of wild, 130-128 doubleovertime shootouts.

But in reality, the team that won Senday's Game 3 for a 2-1. lead in the best-of-seven senes was likely to have done so because of what it did when the bali wasa't in its pessession.

We're down eight or nine portes from what we usually score. Laker Coach Par Riley said Saturday "And a couple of years ago, the Pistons were one of the top soring teams, so ther we definitely changed." Perhaps it's not so much only the Lakers and Pistons chang-

approach to it - that has Assistant croches from the Lakers and Pistons were on hand to observe the potential opposition throughout the NBA conference finals. In-depth scouting breeds familianty. So, during the first two games of the championship series, it was diffi-

cult for either side to do much in

terms of running patterns, cor-

ting to favorable positions on the

court or accomplishing what

might have come easier earlier in Chr. Kalarii Both teams have averaged 100.5 points in the sense — eight fewer than Les Anceles scored against Detroit in their two reguseason games, seven less for the Potons, it's also nine points less than Detroit's regular-season norm and more than 12 less



Guard Michael Cooper ... A change of rhythm.

than the Laker season average. "Defense is head and shoulders above what it was; strate-

Lakers Win 2d

International Herald Technic PONTIAC, Michigan — The Los Angeles Lakers beat the Detroit Pistons, 99-86, Sunday afon to take a 2-1 lead in the

NBA championship series. mes are now devised to thinking and reacting." Riley said. "Everybody takes away your best stuff. We used to get a lot of points off of made shots by op-ponents, just by advancing the hail early.

"For a couple of years, nobody defended our fast break off of their made shots. They said 'We have to get back,' but now teams do things tactically to really disrupt it. They get up and play us full court... Magic [Johnson] is getting picked up full court by [Piston guard] Joe Dumars and twisted and turned."

At the other end, the Los Angeles defense has been good enough to hound Detroit into at least three 24-second violations. Isiah Thomas was 5-for-14 from the floor in Game 2, but on Saturday he said that only nine of his attempts were real shots — "the rest were desperation."

The Pistons partially have brought that on themselves because of an offensive setup that calls for forward Adrian Dantley, isolated on one side of the floor or the other, to hold the ball for long periods of time. Dantley has made the right moves with the ball, going to the basket when able, rotating it around the perimeter when double-teamed.

The difference is that the Laker defensive recovery was slow in Game 1, with Detroit able to convert close to 60 percent of its shots: in Game 2, that figure dropped to 44 percent because Los Angeles not only rotated defensively but often was able to trap whatever Piston got the ball

from Dantley.
"When Dantley and Thomas get on a roll you have to try omething to throw them offrhythm," said Laker guard Michael Cooper.

"We can do that with a good trap. . . . It puts the ball into the hands of players who don't want to get the ball."

Irish Stun English, Soviets Defeat Dutch

STUTTGART - Ireland, playing in its first major soccer tournament, posted a major upset Sunday by defeating England, 1-0, at the European Championships.
In Cologne, the Soviet Union survived a first-

half Dutch offensive and struck back with a goal in the 53d minute by Vasili Rats to edge

the Netherlands. 1-0, Sunday night, Spain had beaten Denmark, 3-2, Saturday in Hanover to take the lead in Group I of the tournament. West Germany and Italy played to a scoreless tie Friday in the first of that group's matches. The two top teams from each of the two four-team groups advance to the semifinals.

We knew this will be a very difficult match for us, but we didn't expect it would be this difficult," said England's manager, Bobby Robson. "To stay in the competition we will have to do much better in our next matches." The only goal of the contest was scored by Ray Houghton in the sixth minute, but it gave a memorable victory to his team's manager, Jack Charlton, who had helped win the 1966 World Cup with England.

The rest of the match. Charlton said, was "the longest 84 minutes of my lifetime." He added: "We got away with a lot of things today that made me think someone up there likes us." Houghton scored following a comedy of er-

rors by the English. Gary Stevens and Mark Wright, as both tried for the ball, got in each other's way and allowed ireland's Tony Galvin to get in a left-wing cross that Kenny Sansom should have cleared. But he only popped the ball into the air and John Aldridge beat Tony Adams to it, headed it sideways and Houghton, his Liverpool team-mate, scored with a header so perfectly placed that goalie Peter Shilton was left strand Ireland's tactics of crowding the midfield and

playing tight on its opponents' back four kept England from mounting a single really penetrating attack the first half. But after the break the English wasted no time in going for the tying goal. Their best scoring chance yet came in the 48th minute when Sansom's long pass got Gary Lineker free. But goalie Pat Bonner blocked the shot and fellow striker Peter Beardsley, following

Compiled in Our Stuff From Dispatches

British soccer fans before and during the match

Sunday, then arrested three more involved in

fights with West German fans in the city center

in the evening.
Police said that 45 persons, 44 of them En-

glish had been arrested after midnight when

they went on a window smashing spree in down-

town Stattgart and fought in bars. They were charged with a variety of offenses, including

were so drunk that it took several hours to

identify them, a British embassy spokesman said.

A police spokesman said it appeared that Germans had incited the lighting Sunday eve-

ning, but that officers had managed to detain

WEATHER

EUROPE

MIDDLE EAST

HEY BRO! YOU'RE LOOKIN' GREAT!

dalism, assault and theft, police said. Many

Police Report Arresting 53 Britons

<u>OCEANIA</u>

<u>AFRICA</u>

STUTTGART - Police arrested 50 rowdy theft and three for disorderly behavior at the

Ray Houghton, who scored Ireland's goal in the contest's sixth minute, then had to survive happy teammate Ronnie Whelan.

The Irish had hardly emerged from their end of the field since halftime, but when they did they attacked almost with dramatic effect. Ronnie Whelan's hard drive struck the crossbar and went over, and Houghton's cross-cum-shot went just past the far post.

England counterattacked. Substitute Glenn Hoddle nearly scored following a free kick but was

Three Britons were arrested for suspected

stadium. More than 1,500 police were deployed

there to keep order, with the 8,000 British and

In all, 65 persons have been arrested since the

matches began Friday. Of that number, police

said, 57 were English, with six arrested in Frankfurt and seven in Stuttgart on Saturday.

had deported Paul Scarrett. 32. a Nottingham

Forest supporter who, police said, had a history

of arrests for violence at matches in England.

counterparts, they picked up Scarrett as he arrived at the Stuttgart railway station Saturday night and

'GREAT," OF COURSE, BEING A RELATIVE TERM.

Police said that, acting on a tip from English

LATIN AMERICA

NORTH AMERICA

ua exica Cità

Police in Stuttgart also reported that they

11,000 frish fans kept segregated.

5 95 22 72 fr

blocked by Bonner. The goalie excelled again when he smartly saved a shot by English captain Bobby Robson. Then he denied Lineker again. blocking the ball with his legs. Next, Hoddle was a fraction off with a spectacular volley from Beardsley's corner. And, as the Irish defense

stiffened, John Barnes failed with a low drive. But Bonner produced his best save of the game in the last minute, keeping out a closerange header from Lineker after a free kick. Bonner now has not conceded a goal in eight

matches, or more than 12 hours of soccer. Holland dominated the scoreless first half against the Soviet Union. Rudd Gullit and Frank Rijkaard, his boyhood friend and new teammate at Italian champion AC Milan, and PSV Eindhoven's Gerald Vanenburg were involved in almost every Dutch move. Gullit, typically, covered the pitch, and was back to head away a corner clear moments after being involved in an attack at the other end. Only two superb saves from Soviet captain

and goalie Rinat Dasaev prevented his team falling behind, while Vagis Chidiyatulin first hacked down Gullit and Gennadi Litovchenko then brought down Rijkaard with hard tackles in attempts to break the Dutch momentum. West German referee Dieter Pauly booked Litovchenko for the second offense, in the 22d minute, his second booking of the competition putting Litovchenko out of the match against Ireland on Wednesday. Chidiyatulin became the second Soviet player to be booked, after 39 minutes, when he deliberately grabbed Jan Wouters' through pass to Gullit.

Gullit, the 1988 European Footballer of the Year, just missed scoring from close range in the 47th minute, after a penetrating cross from Vanenberg left him only Dasaev to beat. Three minutes later, Dassev made another superb save, tipping John van't Schip's drive around the post.

Then the Soviets struck. A fast break through the middle put Igor Belanov open, and the 1986 European Footballer of the Year found Rats on the far side of the penalty area with an accurate cross. Rats fired low and hard past goalie Hans van Breukelen. Dasaev pulled off another fine save in the

62d minute, tipping a third blistering drive

gave Denmark a tie in the 26th, but Emilio Butragueño made it 2-1 in the 54th minute and Rafael Gordillo scored in the 69th. Flemming Poulsen got Denmark's second goal, in the 83d. Spain, which had eliminated Denmark in the 1984 European Championship and in the 1986 World Cup in Mexico, shocked the Danes early when Michel, who on Saturday extended his contract with Real Madrid until 1996, split a

shaky defense on a quick one-two move with Ricardo Gallego, then easily slipped the ball past goalkeeper Troels Rasmussen. The aging Danes, struggling to find their pace, finally broke through when Laudrup swept past three defenders and blasted a bouncing, left-foot drive from 22 yards (20

meters) past goalkeeper Andoni Zubizaretta. In the 35th minute, although Michel was brought down by John Siveback in the penalty area, his poorly placed penalty shot was easily deflected by Rasmussen. (AP, UPI) sent him back to London by plane. (AP. AFP)

SIDELINES

Senna Breezes in Canadian Grand Prix

MONTREAL (AP) — Brazilian Ayrton Scana, challenged only by McLaren-Honda teammate Alain Prost of France, was the easy winner of Sunday's Formula One Canadian Grand Prix.

Senna covered the 2.73-mile (4.39-kilometer) circuit in 1 hour, 39 minutes and 46.618 seconds, averaging 113.184 mph. Prost was 5.934 seconds behind but maintained his lead in the driver standings. The McLaren team has won all five races of 1988 — Senna taking two

Two World Track Records Are Broken

LENINGRAD (AP) - Galina Chistyakova of the Soviet Union improved the world record in the women's long jump nearly three inches with an effort of 24 feet, 8¼ inches (7.52 meters) at a meet here Saturday. The old record, 24-51/2, had been shared by Heike Drechsler of East Germany and Jackie Joyner-Kersee of the United States.

Saturday night in Casablanca, Moroccan Said Aquita lowered the world record for the two-mile run to 8 minutes, 13.09 seconds. Aouita bettered the mark of 8:13.45 he set last year.

England, Wales Humiliated in Rugby

SYDNEY (AFP) — Emphatic Australian victory over England Sunday, after New Zealand routed Wales Saturday, completed a humiliating two weeks for British rugby. The British teams go home whitewashed in

The Welsh defeat Saturday in Auckland, 54-9, confirmed the first test result — 52-3 in Christchurch on May 28. Saturday's was the biggest score ever against Wales. England, after a 22-16 loss in Brisbane on May 29, went down by a record 20-point margin to Australia in Sydney, 28-8.

For the Record

Yuh Myung-woo retained his World Boxing Association junior fly-weight title Sunday in Seoul with a split decision over José de Jesus of

Jaguar Wins at Le Mans

from Ronald Koeman over the bar.

In Saturday's match, Spain's Michael Landrup the scoring in the sixth minute. Michael Landrup streak of seven straight victories. lace, won the 56th Le Mans 24-Hour incidents and caution flags. Race Sunday to break a Porsche

treak of seven straight victories.

The Jaguar won by less than a lap yer the Porsche 962 of War Car. over the Porsche 962 of West Germans Hans Stuck and Klaus Ludwig and Briton Derek Bell. It was the first time since 1957 that the British cannaker has won the endurance test; it has six victories here, while Porsche has a record 12.

the final margin being less than two minutes on the 8.41-mile (13.535kilometer circuit). Averaging better than 137 mph, the Jaguar covered 394 laps and 3,305,94 miles — a mileage total second only to the 3,315.92 of West German Helmut Lennep in a Porsche 907 in 1971.

LE MANS, France — A Jaguar after another Porsche, driven by XJR-9 prototype, driven by Dutch. Bob Wollek, Sarel Van der Merwe man Jan Lammers and Britons and Vern Schuppan, dropped out Johnny Dumfries and Andy Wal-midway through a race clear of Lammers drove the final minutes

> from the third row and moved quickly into second place on the first lap, "It's nice to do what you get trusted to do."

The winners battled with Stuck's "We had numerous problems, but Porsche over the last 12 hours with the Jags won it and we couldn't. beat them today." In third place, nine laps behind,

was a Porsche 962 driven by West Germany's John Winter, Denmark's Franck Jelinski and Sweden's Stanley Dickens. A Jaguar, with American Kevin Cogan, Brit-Marko and Dutchman Gijs Van ain's Derek Daly and Australia's Larry Perkins at the wheel, was The Jaguar and the Stuck fourth, Il laps back

ACROSS 1 Pied through bricks flights

clods
5 Fall beverage
10 Mideast gulf 14 Busy place 15 Author St.

18 One-man 19 Famed family name 23 Tragedy by Euripides 24 Spotted 25 Necktie fabric 28 Siept notstly 33 "Aggus — 36 Cupid 39 Detruit's Joe

Louis Sports 46 Farned scout 43 Up to the time 44 Have a meal **45** Jenny

48 What some cars guzzle 50 Frontier 'awman 53 I male of Pular and Pili 58 Self-appointed

tribunat

46 Cuddle up

62 Seed coating **64** Trapical vine victim 67 Organic compound 68 Cachet

69 Final word 70 Prophets 71 Puzzier's favorite ser

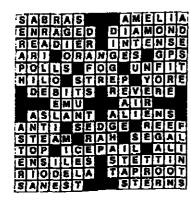
DOWN 1 Oboe's forerunner 2 Supple 3 Egg-shaped 4 People, in Pisa

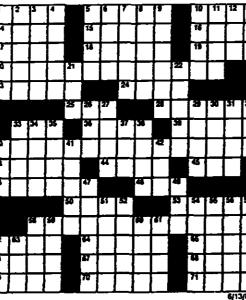
5 Receptacle 6 Presley was 7 Removes 8 Wed secretiv

9 Dermai

outbreaks 10 P.G.A. event 60 Corker 11 Topgallant 12 Tate treasures 63 Brink

Solution to Friday's Puzzle





New York Times, edited by Eugene Maleska. PEANUTS

13 Society-page SPIKE! 22 Year's record 26 Wriggler 27 Poke 29 "Jaws" vessel 30 Olds products 31 Funishes

BLONDIE

32 Week component 33 Sight on Cape

34 Newts 35 Gide's "-Die" "Mikado" sash 38 Chant 40 Hot cross 41 Fred or Woody

47 Links delights 51 Poker ploy 54 Springe part 55 "Put up your

56 Of a Great Lake 57 Pillar of stone 58 Buzzard's cousin 59 Paton or Ladd

61 Trireme must

BEETLE BAILEY POOR SARGE. HE TRY TO BE MISSED WINNING SYMPATHETIC THE LOTTERY BY ONE NUMBER #**0 #0**RRY \$

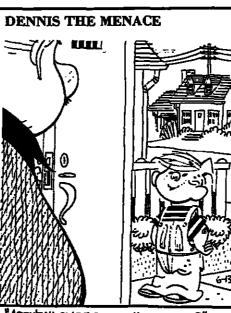








Noer Lunurer

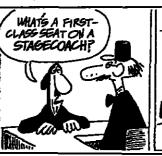


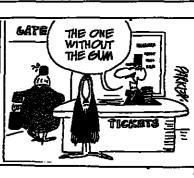
JUMBLE THAT SCRAMBLED WORD GAME
by Henri Arnold and Bob Lee **LIBOR** NINOO SWAALY HOW IT WAS CROSSED BY A ROSOT. TOYBUN

es: essay azuré touchy ledgef He makes a monkey of himself whenever he tries to do this—CARRY A "TALE"















هكذاهن الاجل

in Canadian Lisen Star Routs Belmont Foes

By Andrew Beyer

On I provide the By Andrew Beyer

Washington Post Service

MONT, New York — MONT, New York — in one MONT, New York — in one most impressive performance in the data of the most impressive performance in a 3-year-old since his may with Saturday's Bel-Stakes.

may with Saturday's Bel-Stakes.

Stakes

s winning margin of 14½

his over long shot Kingpost

the widest since Secretariat's

incurry and the widest sinc

Colors from getting too far ahead. The filly was the only bona fide speed horse in the field and figured to control the pace unless Risen Star was able to put some pressure on her.

Risen Star broke alertly, and jockey Eddie Delahoussaye gave the man and the man arminiscent of the way Section 24.0

refinal leg of the 1 npie crown only a compact of the first turn.

Plu derived out affected a minor ankle injury "I got him ru

ins at Le

of tert amounter Ponts

Hate World Sand by

and Vern Schopper

mendents and came.

erve Stuck the near

from the third met

to et tap "It's mer be

Bell was seeking and

cot traved to do."

me sixth taton be

have done quit age

in third place, met

· · · rmanys John ⋤

mark - Franck Jobs

den's Stanley Dickers

with American kende

anti-s Derek Dak ad

Laury Perkins and

Searth 11 lars back

LY.

UN

10

WITHLYT

the Cla

the face when of the race, when a re-

who had se

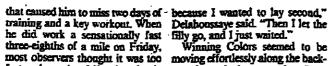
fast and wondered if trainer Louis Roussel III knew what he was do-

the following afternoon, rewarding Roussel and co-owner Ronnie Lamarque with a \$1,303,720 payday, including a \$1 million bonus.

As soon as the six-horse field broke from the gate, it became obvious that the fast workout was part of a plan to sharpen Risen Star's speed and keep Winning Colors from getting too far ahead.

Risen Star broke alertly, and jockey Eddie Delahoussaye gave him some mild urging to get his mind on his business. Winning Colime he had reached the final containing the had reached the final containing the had reached the final containing the had been defined the way Section of the way Sec

"I got him running a little bit



stretch, and she opened a four-length as she reached the half-mile mark in :47-1/5. Kingpost, running third, was the only other horse re-On the backstretch Delahons-

saye started urging the big bay colt, asking him to challenge the leader. For a moment the move looked as if it might be premature, a tactical mistake, because the pace was fast by the usual standards of the Belmont - six furlongs in 1:11-4/5. But Delahoussaye said, "He was going smoothly when he got close," When Risen Star drew abreast of the

filly, Stevens started asking Winning Colors for a response — and he got

none. The filly was finished. Stevens said he thought the rig-ors of the Triple Crown had finally taken a toll on Winning Colors. "She's had a hard campaign," the jockey said. "She just didn't fire."

When Risen Star took command and the filly started to fade, King-post was the only horse within striking distance, and the 17-to-1 shot simply was not good enough to make a further impact on the race. The crowd of 56,558, which had made Brian's Time a virtual co-favorite in the wagering, probably ex-pected the stretch-runner to make a move, but as he tried to rally along the rail he couldn't gain appreciably

on Kingpost through the stretch.
Confirming Roussel's conviction that a mile and a half would be Risen Star's best distance, the colt finished powerfully in the final quarter-mile. Delahoussaye wasn't quarter-mile. Delahoussaye wasn't even whipping as he ran it in :24-4/5 — even faster than Secretariat had done - to record his impressive

Brian's Time was two lengths behind Kingpost, followed by Cefis. Granacus and Winning Colors.
Risen Star earned his giant payday by winning the \$1 million bonus

that goes to the horse who performs best throughout the three-race series. Only his Kentucky Derby loss kept him from winning the \$5 million prize that goes to a Triple Crown winner, and with the benefit of hindsight it is now clear that he should have won that race, too, if he had had better racing hick.

"I've been saying for months that this is a great borse," Lamarque reminded reporters after the race, but nobody had taken the folks from New Orleans too seriously. Their management often looked uncertain and amateurish. But on Saturday, when Lamarque said. "This is the closest thing to TAIL SCRIBBING STAIR, Eddie Delahoussaye up, winning the Belmont Stakes. was laughing at the notion. Secretariat I've ever seen," nobody



Catcher Dave Valle pulled out all the stops, and then some, but Minnesota's Dan Gladden still managed to score Saturday in Seattle.

Rasmussen Excels in 1st Start for Padres

SAN DIEGO - Dennis Rasmussen struck out 10, his high in the major leagues, pitched a five-hitter and drove in a run Saturday night to give his new team, the San Diego Padres, a 2-1 victory over the lately embarrassing Los Angeles Dodgers.

Rasmussen, obtained Wednesday from the Cincinnati Reds, walked one in his second complete game this season, and missed his second shutout because of an unearned run in the sixth inning. In his last start, June 3 for the Reds. Rasmussen had allowed the Dodgers six runs on eight hits in 1% innings.
"I don't think he was unbeatable tonight,"

said the Dodgers' Kirk Gibson. "I don't want to discredit his performance, but I think we're better than what we showed. They made three errors and had just five hits and we end up losing. It shouldn't happen.

"He's not going to do this every time out, but what more can you ask of a guy in his first start?" said Padre Manager Jack McKeon. San Diego took a 1-0 lead off Don Sutton in the second, when John Kruk led off with a walk, Benito Santiago singled, Garry Temple-

ton walked to load the bases and Rasmus lined a sacrifice fly to right. The Dodgers tied in the sixth, After Steve Sax struck out, Mickey Hatcher grounded to third, where Chris Brown misplayed the ball for an error. Gibson singled Hatcher to second and

Mike Marshall hit a potential double-play grounder, but second baseman Roberto Alomar threw wildly to first, allowing Hatcher to score, In the bottom of the sixth, Keith Moreland

Thomas Austre and Alexander Antanisson. Austria, del. Nduka Odizor and Tony Mrnoh. Nigeria, 12-10, 6-3, 6-3. Harst Skoff, Austria, def. Sedia Abdullatv,

Zone B
(At Lishon)
Soviet Union 3, Portugal 8
Alexander Volkov and Andrei Olikhovsky
Soviet Union, det. Nuno Marques and Joër Cunto e Silva, Portugal 34, 6-3, 16-14, 3-4, 2-6 (At Wormand, Netherlands)
Netherlands 3, Senegal 2
Vone Deumbly, Senegal 12, Tran Nilesen

nds. 6-3, 1-6, 6-2, 7-5.

Yayo Doumbia, Sensoal, def. Men ng, Netherlands, 6-4, 6-2. RELEGATION ROUND

stherlands, det. Yoru y, Senepad, 6-1, 6-2, 6-1. Tarm Nilssen. Netherlands, def. Abou Jerthe, Senepad, 6-0, 6-1, 6-0. Poumblo, Senepad, def. Menno Cost-

KELLEGATION ROUND
Zose A
(Af Bedepest)
Haspary 2. Belgium 2
Loszlo Markovics and Gobor Koeves, Hungary, def. Korel Demaynck and Denis Lastoskens, Belgium, def. 4-6, 8-2
Bart Wuyts, Belgium, def. Ferenc Cassol,

Sart Wuyts, Belgium, del. Ferenc Csepol. Jungary, 3-6, 6-1, 6-0, 4-6, 6-4. Zone S (At Sefia) Remania S, Belgaria & Fiorin Segarceonu and Kosak, Romania, sel. Yulian Stommatov and Velev, Sutsoria,

Piorian Segarceanu,Romania, del. Krassi Nr Lazarov, Bulgaria, 6-4, 6-3.

Greece 3, Poland 1
Tassos Baveios, Greece, del, Wolciech Lowalski, Poland.6-4,3-6,6-3,3-6,6-4, comp. of

use. match. Wolciech Kowaiski and Lech Sidar, Poland,

orge Kalovelanis, Greece, det. Wolciect riski, Paland, 7-5, 9-11, 3-6, 6-4, 6-0.

64 61, 64

lov, Bulgaria, 63, 63.

gu. Greece, 9-7, 11-9, 15-13,

Berthe, Senegal, 5-0, 6-1, 6-1, Michiel Schwanze

rlp. 4-2, 4-0.

doubled to center, moved to third on Kruk's Detroit won its fourth straight and ran its infield out and scored on Santiago's sacrifice record against the Indians to 5-0 this year.

home, another on a late throw there and a third on one of the four walks they got that inning. Expos 6, Mets 4: In Montreal, Tim Wallach

SATURDAY BASEBALL

drove in three runs with a double and two singles as New York lost four straight for the first time this year.

Pirates 8, Phillies 2: In Pittsburgh, Mike Dunne scattered five hits, singled, walked and scored twice while Andy Van Slyke drove in four runs against Philadelphia.

Cubs 2, Cardinals 0: In St. Louis, Rick Sut-cliffe, coming back from the disabled list and a strained rib cage muscle, struck out seven and allowed just two hits over six innings, while Mark Grace hit an RBI triple for Chicago.

Astros 5, Braves 4: In Houston, Kevin Bass, who had homered in the third and thrown out a runner at the plate in the 10th, led off the 11th with a walk, moved to second on another walk and scored from there on Terry Puhl's infield single to beat Atlanta and end an Astro string of six consecutive extra-inning losses.

Tigers 11, Indians 3: In the American League, in Cleveland, Luis Salazar, Gary Pettis the left-field wall to make it 2-2. (UPI, AP) and Lou Whitaker each drove in two runs as

Yankees 8. Orioles 6: In New York, Jay Reds 7, Giants 2: In San Francisco, Eric Buhner had five RBIs against Baltimore, cap-Davis got four hits and Chris Sabo homered to ping a five-run fifth with his first major league lead off a six-run eighth for Cincinnati. The grand slam. Rick Rhoden, the first putcher to Reds scored one of those runs on a wild throw start a game as designated hitter since the start a game as designated hitter since the inception of the rule in 1973, went 0-for-1 for the Yankees but hit a sacrifice fly in the fourth

> Bine Jays 4, Red Sox 3: In Toronto, rookie Sil Campusano singled home Kelly Gruber from second in the 10th to beat Boston.

> Boston homered, tripled and scored the winning run against Milwaukee to help assure the White Sox of their first series victory since mid-

> Mark Gubicza pitched a two-hitter and Kurt Stillwell had a home run and two doubles

Dave Henderson, Carney Lansford and Terry Steinbach each homered for Oakland, with Steinbach and Henderson each driving in three

ning streak and the Mariners' three-game skid. Left-hander Frank Viola, who had won his last nine decisions, took a five-hit shutout into

White Sox 5, Brewers 3: In Chicago, Daryl

Royak 7, Angels 0: In Anaheim, California,

among his four hits for Kansas City. Athletics 13, Rangers 4: In Arlington, Texas.

Mariners 3, Twins 2: In Seattle, Dave Hengel and Rey Quinones hit consecutive home runs in the eighth to end Minnesota's three-game win-

the eighth but walked David Valle to lead off the inning and Hengel hit his next pitch over

Scott Misses No-Hitter By 1 Out

MONDAY SPORTS

HOUSTON - Mike Scott, one out away Sunday from pitching a no-hitter, then gave up a lined single by Ken Oberkfell as the Houston Astros defeated the Atlanta

It was the sixth time this season a pitcher has carried a no-hitter into the ninth inning only to fail. Scott retired the first two batters

in the moth, but Oberkfell lined a SUNDAY BASEBALL

shot that right fielder Kevin Bass had no chance to field. Scott then retired Gerald Perry.

Scott did not walk a batter, but the Astros had made two errors to spoil his chance for a perfect game. He had pitched a no-hitter Sept. 25, 1986, in a game that clinched the National League West Division title, a 2-0 victory over the San Francisco Giants. No NL pitcher has thrown a no-hitter since.

Teammate Nolan Ryan, who has five, went 8's innings without allowing the Philadelphia Phillies at hit on April 22. But the last nohitter in the majors was by the Milwaukee Brewers' Juan Nieses, a 7-0 victory over the Baltimore On-

oles on April 15, 1987. Scott, 7-2, won his first six game this season, a career best, but had lost his last two while giving up 20 hits, 13 carned runs and four home

runs in 15 innings. Sunday, he struck out eight and new leads the NL with 96, seven more than Ryan. Expos 4, Mets 3: In Montreal, Hubie Brooks singled in Tim Rames

in the 11th inning to complete a three-game sweep of New York. The Mets, who had led, 3-0, after eight innings, have lost five straight. Raines led off the 11th with a

walk against Terry Leach, the Mets' fourth pitcher, then stole second, was bunted to third by Casey Candaele and scored on Brooks singled to center. It was the Expos' eighth victory in nine extra-inning games this season. For the first eight innings, Met

starter Sid Fernandez allowed only Mitch Webster's fifth-inning dou-ble, striking out 10. But he was relieved by Randy Myers in the ninth. Myers hit leadoff batter Raines

with a pitch, Candaele singled and Andres Galarraga tied the score with his NL-leading 16th homer. Cubs 4, Cardinals 3: In St. Louis, Greg Maddux became the major league's first 11-game winner and scored twice as Chicago swept the

three-game series. The 22-year-old Maddux, 11-3, allowed eight hits, struck out eight and walked two to win his fifth straight. He also singled twice, reached base on the error in a tworun sixth that allowed Darren Jack-

son to score the go-shead run, and scored on a sacrifice fly that inning. Maddux, who retired 10 straight from the fourth through the seventh, pitched his fifth complete game. He was 8-14 as a rookie in 1987.

Phillies 5, Pirates 4: In Pitts-burgh, Kevin Gross pitched 75 innings to win for the fifth time in his last six decisions and Steve Jeltz drove in two runs with a triple and a double for Philadelphia. Gross allowed 10 hits, walked

one and struck out six before being relieved by Steve Bedrosian with two out in the eighth.
Yankees 6, Orioles 5: In the

American League, in New York, Claudell Washington's single over Baltimore's drawn-in outfield drove in the winning run with one out in bottom of the ninth.

Wayne Tolleson bunted for a oneout single against Tom Niedenfuer and took third on Jose Cruz's single. Washington then hit a long fly ball over right fielder Fred Lynn. Eddie Murray had hit a game

tying, two-run homer in the eighth, but a bat day crowd of 51,142 saw the Yankees beat the Orioles for the 34th time in 45 games. The Orioles, who won Friday night, but lost the next two, were seeking to win their first series on the road against an AL East opponent since April 10-12, 1987, in Cleveland. Tigers 5, Indians 4: In Cleveland,

Luis Salazar's two-run homer capped a five-run burst for Detroit in the first two innings and the Tigers held on to sweep the fourgame series, moving past the Indians into second place in the East. The Tigers have won five straight, the Indians have lost four in a row

and six of their last nine. Scott Bailes lasted just 13 innings, giving up five runs on five hits to end a string of 24 straight games in which Indians' starters

had made it to the sixth inning. Red Sox 8, Blue Jays 2: In Toronto, Mike Greenwell's three-run

homer during a five-run first helped Boston end its eight-game losing streak against the Blue Jays.

Green Leads by 1 In U.S. Tourney

HARRISON, New York - Ken Green birdied three straight front-

nine holes for a 67 that lifted him into a one-shot lead after Saturday's third round of the Westchester Classic golf tournament, Pulling away from a six-man

scramble to lead the rest of way, Green completed three trips over the Westchester Country Club course in 206, seven under par.

Dick Mast (a 68) and Australian Steve Elkington (69) came on to share second at 207. South African David Frost was at 69-208: Loren Roberts, who led through the first two rounds, slipped to 73-210.

COREBOARD

lay's and Saturday's Major League Line Scores

Gubiczo, 8-5. L--Mc City, Stillwell (7).

Anson, Hernander (8), Hennamon (8) and Sorhistif Reusz, Rosenberg (6), Biffiger and Sorhistif Reusz, Rosenberg (6), Biffiger (6), Horizon (8), Tribiper (7) and Solaz, Karkon (7), March (8), Thisper (7) and Solaz, Karkon (7), March (8), Thisper (7) and Solaz, Karkon (7), March (8), Thisper (7), March (8), Thisper (7), March (8), Sanithson (8), Stanier of Cerons; Sileb, Wells (7), Hense (8) and Cerons; Sileb, Wells (7), Hense (8) and Cerons; Sileb, March (8), Sanithson (6), Saniter (8), March (8), Sanithson (8), March (8), M

AT REST TOUCH Page HE ADMES (enhance): Kligus, Mohorcic (6). Cocern HE ADMES (enhance): Kligus, Mohorcic (6). Cocern HE ADMES (enhance): Kligus, Mohorcic (6). Cocern HE ADMES (enhance): ADMES (en

real soe see 81%-5 14 7 169. Waiter (5), Irais (6) and Corter; mez. Parreit (7) and Read. W.—Martinez.

A-P-Perry (9) and So (5 (6), Costella (8) an

200 112 000-7 19 0 110 000 001-3 19 1

erv. Oresco (7), Pena (7), Howell (9) and Cla; Hawkins, Grant (7), McCullers (8) Garloga, W.—McCullers, 1-4, L.—Howell,

Francisco 341 pri ecu-v ri .

Sterra (3), F.Williams (7), R.Murphy
/ed Disz; Reuschet, Garreits (7), Bockus
D.Robinson (9) and Manwaring. WGhel, V-1, L-Soit, 34, 54-D.Robinson

188- 9- Enancisco Trust 115, Maddan

218 888 889 8-3 8 1 116 888 810 1-4 12 8

118 696 610 1—4 12 w

151, Smith (8), Lemp (10) and Carene;

152, Smith (8), Lemp (10) and Carene;

153, Smith (8), Lemp (10) and Carene;

154, Smith (8), Word (8) and Bor
155, Smith (8), Word (8), and Bor
155, Louis

156, Core (4), Terrorie, Lee (1),

156, Core (4), Terrorie, Lee (1),

157, Louis

156, Core (4), Terrorie, Lee (1),

157, Louis

157, Core (4), Terrorie, Lee (1),

157, Core (4), Terrori FTIS, Kins (8) and Notes, Heath (7); For-Plack (6), Dedman (7), Loskev (8): Schol-(7) and Allenson, Benda (8), W—Alarris, (7) and Allenson, Benda (8), W—Alarris, (7) and Allenson, Benda (8), W—Alarris,

Vert 000 258 000 - 0 0 000 258 000 - 0 0 000 - 0 0 0

NATIONAL LEAGUE

TENNIS

Tournaments

MEN
(At London)
(At London)
(Auchterflects
Stefan Edbera (1), Sweden del. Christo van
Rensburg (10), South Africa, 7-5, 5-7, 6-4.
Gay Forget (13), France, def. Bred Dyke, Dorren Cabill Australia, def. Kevin Curren,

nany, 7-5, 6-2 Semificals erg def. Forget, 7-6 (7-4), 6-1. ker def. Cobill. 6-2, 6-4.

802 809 080- 2 5 T

Sy-Righetti (16), HRs-New York, Butmer

Boslo, Altrobello (3), Crim (8), Plesoc (8)

New York 900 110 181—4 9 1
Montreal 90 100 182—4 10 1
Gooden, Leoch (7) and Sasser; Yournam,
Heaketh (7), McGoffigan (7) and Reed, WYournans, 2-5. L—Gooden, 9-2. Sv—McGoffigan (8)
Affanta 903 100 000 00—4 14 1
Hobston 538 800 618 A1

pan (3).
Arianta 883 160 000 08— 4 14 1
Houston 020 800 018 01— 5 7 8
Smith Alvarez (6). Assemmentar (8). Peleo
(10) and Benedict; Knesoer, Aposto (8).
DSmith (11) and Trevino W—DSmith, 3-1 L—

Major League Standings

AMERICAN LEAGUE East Division
W L Pct. GB

shortston, from the 21-day disobled list. Op-tioned Hippolito Peno, pitcher, to Columbus of the International League. Transferred Ran Guldry, pitcher, from the 15-day to the 21-day disobled list. TEXAS—Signed Steven Allen and Greg Kuzman, pitcher, and assigned them to Butte of the Blocker I again.

cker. West Germany, def. Eric Je-

Final Becker det, Edberg, 6-1, 3-6, 6-3.

Alberto Mancial (5), Argentino.

Carisson (1), Sweden, wolkover.

Entillo Sanchez (2), Spoin, def. Martin Jaite (3), Argentino, 6-3, 6-1.

Haal

Mancini def. Sanchez 7-5, 7-5.

(At Edinburch)

Final

Pater Lundaran. Sweden, def. Jokob Hlose (8), Lonsford (5), Steinboch (2); Texas, Espi

Para Shriver, U.S., dei. Ros Fairbank, South

Pam Shriver, U.S. ORT. Nos Pas Sansandarica, 6-2, 6-1.
Zine Garrison, U.S., def. Eina Reinoch,
South Akrica, 6-2, 7-5.
Lori McNell, U.S., def. Ann Minter. Austrolla, 6-3, 4-4, 6-1.
Cloudia Kohde-Klisch, West Germany, def. Cloudia Kohde-Kilsch, wez germann, etindo Cordwell, New Zestond, 6-2, 7 Semifinals Shriver def. McNell, 6-1, 6-4, 6-3. Kohde-Kilsch def. Gorrison, 6-2, 6-4, Final Kohde-Kilsch def. Shriver, 6-1, 6-2. (Af Ediaburgh)

EURO-AFRICAN ZONE GROUP I

Semificals
Zone A

(Al Bristol, England)
Sritain 3, Finland 1
Jeremy Scies and Andrew Costle, Sri
det, Olis Rohnosio and Vell Polisheima,
land, 14-12, 5-3, 5-1,
Jeremy Scies, Britain, dei, Vell Polisheima, Jeremy Botes, britom, v Finland, 6-4, 4-6, 7-5, 6-1,

TRANSITION

BASEBALL
American Lague
BALTIMORE—Signed Greet Dison, plicher, Plocad Alike Morgon, plicher, on the 15-day disobled list, retroactive to Thursdoy.
Purchased the contract of Dickie Notes.

CALIFORNIA—activated Deven White, cutfletter, from the 21-day disabled list. Sent Joe Restricts, infletter, to Edmonton of the Pacific Costs League. CLEVELAND—Recoiled Jon Perlman, pitcher, from Colorado Springs of the Pocific Costs League.

Coast League.

DETROIT—Placed Don Heinkel, pitcher, on
the 15-day disabled list retroctive to June 7.
Purchased the contract of Mike Trullia, pitcher, from Toledo of the International League.

ANLWAUKEE—Recuiled Billy Ja Robidoux, Infletder, from Deriver of the American
association. Stonet I are Calent I. and Tim. doug. Inhelder, from Derver of the American Association. Signed Leon Glenn Jr. and Tim Hulson. Rins' besemen: Danaid Meyer and Sylvester Leve, putilelders, and Davis Fitz-seraid. David Voll, Keith Lame and Mike Grayson, pitchers. Plocad Gres Brock, first baseman, on the 15-day supplemental dis-cibled list retroactive to June 7.

NEW YORK—Activated Tim Teutel, sec-and baseman, from the 15-day disabled list. Optioned Keith Miller, second basemon, to Tidewater of the International Leasue. PHILADELPHIA—Signed Tim Mouser, pitcher, Signed Jeff Etheradge and Joe Tentovio of the New York-Penn Leasue. Sisned Nick Sania Cruz. Infielder; Tim Churchill and Brion Cummings, first basemen; Chris Toney, third basemen; Ray Walker, short-ston, and Gree Breaux and Nick Macaluse. second basemen, and assigned them the traville of the Appalachian League. PITTSBURGH Put John Congelest, duf-fielder, on 15-day disabled list, retrocctive to

June & Purchased contract of Denny Go

ST, LOUIS-Activated Joe Magrane, pitch

er, from the 21-day disabled list. Placed Ran-

er, from the 21-day aggores list. Prices kandy O'Neol, pitcher, on the 15-day disobled list. Moved Jim Lindemon, outfletder, from the 15-to the 30-day disobled list. Signed Bros Du-Vall, pitcher, and oestened him to Ontario of the New York-Penn Leosue. SAN FRANCISCO—Sent Horry Spliman-first basemon, and Mark Wesinger, Infielder, to Phoenib, Pacific Coast Leosus, Purchased Francisco Melender, first basemon, and Rusty Tiltman, auffielder, from Phaenix. Becomes a Favorite for French Tour stage as most of the other racers By Samuel Abt ional Herald Tribime VITTORIO VENETO, Italy "You can't lose a bicycle

race," Andy Hampsten likes to insist. "One person can win it, but there aren't 150 losers." On that reasoning, the 199 riders who started the Giro d'Italia, or Tour of Italy, on May 23, and the 124 other than Hampsten who finished it here Sunday did

important bicycle race. But Hampsten surely did win it, becoming the first American to wear la maglia rosa, the pink jersey of the Giro champion, since the race began in 1909.

Tm very happy to have won it, and I'm pretty wasted too," he said afterward. "It's finally over." He finished in style too, com-ing in seventh, Sunday afternoon in the rain in the final stage, a 43kilometer (26-mile) time trial, or race against the clock. That left the American 1 minute and 43 seconds ahead of Erik Breukink, a Dutchman, in second place

overall and 2:45 ahead of Urs Zimmermann, a Swiss, in third. To get there, Hampsten, who rides for the 7-Eleven team, had to overcome a field of the finest professional racers and weather that ranged from a snowstorm that paralyzed riders' muscles to the sudden downpour this sultry day in Victorio Veneto in the shadow of the Dolomites.

At 26, Hampsten stands on the verge of stardom and becomes a favorite in the Tour de France. bicycling's premier race, which begins July 4 in Brittany. In two of the last three years, the winner of the Giro has gone

on to victory in the Tour de France - Bernard Hinault, a Frenchman, in 1985, and Stephen Roche, an Irishman, last year. In 1986, Greg LeMond, an American, won the Tour de France after finishing fourth in the Giro. "Andy's victory is a tremendous feat, but also wonderful

preparation for the Your de rance" said Jim Ochowicz, the 7-Eleven team's general manag-er, Hampsten rejoined 7-Eleven last year as its leader after spending the 1986 season with the Vie Claire team in France. His team will skip the upcoming Tour of Switzerland, which

before the Tour de France. That will be next Sunday, in the U.S. professional championship. In the Giro, Hampsten won the leader's jersey a week ago in a fierce snowstorm as the race crossed the Gavia Pass in the Italian Alps. Starting the day lifth lost at least five minutes battling heavy winds and a two-foot (6)centimeter) snowfall. Team foresight helped spare Hampsten. "We didn't practice

First U.S. Cyclist to Win Italy's 'Giro'

for the weather," explained Ochowicz "but we knew how to react to blizzard conditions."

acclaimed by Italian racing fans, the tifosi whose hatred of have been vinegar, instead of water, on spit on them and threaten them with bodily harm. Hampsten got no such treatment. the 2,235-mile race to a cascade of cheers.

mal jackets were given out.

sten reported no problems.

uphill time trial and gaining more than a minute on Breukink and nearly that on Zimmermann. As Hampsten neared final victory, he was acclaimed by Italian

them with bodily harm. Hampsten got no such treatment. He completed the 3,578-kilometer (2,235-mile) race clockwise from Urbino to this

city north of Venice to a cascade of cheers.

> what a fine person he is in addition to being a strong rider."
>
> Both qualities have been on display since Hampsten turned professional with 7-Eleven a few weeks before the 1985 Giro and went on to win a mountain stage of the demanding race. Later that vear he finished second to Le-Mond in the Coors Classic, the major U.S. multiday race. His performances earned him a benth the next year with Vie Claire, which was led by Hinault, five times a winner of the Tour de France, and LeMond. LeMond had ridden with and

exhibited in the 1986 Tour de France by finishing fourth and winning the white jersey of the race's best young rider.
"Hinault taught me a lot,"

corrected. At first Hampsten temporized over Vie Claire's offer of a job. "I was dumbfounded" he said, before accepting the challenge of taking up life full-time in Europe, far from his home in Boul-

Ohio, but his family soon moved to Seattle, and then to British Cohimbia. When he was four years old, the Hampstens settled in Grand Forks, North Dakota, where his parents teach English at the University of North Dakota. Hampsten attended the university for two years, but "I

bicycle racing." He remembers that "there was a little bit of friction" at home when he would drop out of college in the spring term for the start of the bicycling season.

Presumably, all is now forgiv-

setting off in heavy rain down in the valley. Other riders wept at the frigid conditions, but Hampdidn't have a strong enough in-Hampsten has won the last two terest in any subject to have a Four days later he assured his years, and race only once more major. I was more interested in final victory by easily winning an

overall, he finished second in the ary. In other years they have

Three kilometers from the top of the long climb, hot tea in flasks was passed to the riders from a team car parked by the not lose the world's second most As Hampsten

neared final victory, he was foreign winners is legendary. In

other years they known to throw foreigners, to He completed

side of the road. Just before the long, swift and cold descent from the pass, hats, gloves, and ther-In addition, the 7-Eleven riders had coated their bodies and faces with Vaseline jelly before

racing lans, the tifosi whose hatred of foreign winners is legend-

been known to throw vinegar. instead of water, on foreigners, to spit on them and threaten

"It's his obvious sincerity." Ochowicz said. "Andy has been on Italian television every night for the last week, and it's clear

against Hampsten for years in the United States and knew his strengths. They were new to Hinault, who was dazzled by Hampsten's ability to climb, which he

Hampsten later said. And it was Hinault who gave Hampsten the nickname le Pent Lapin, the little rabbit, both for his ability to bound away on a climb, and for his pronouced overbite, which has since been

der. Colorado. He was born in Columbus,

The Coin Dealer: All the Good Fine Things of Life

PARIS — Dealers of all sorts are full of secrets, but coin dealers — perhaps it is the ancient lure of gold or the unique commingling of art and money — are positively conspiratorial. "They would deny to the competition that they deal with us, just as they would deny to us that they do business with anyone else," says Marc Emory, the top agent in Europe and the Far East for Heritage Rare Coin Galleries, a large Dal-las firm. "It's brutally competitive, but mostly in a nonviolent way," he says.

Emory, who hides behind a bombthrower's black beard, has given as a meeting place an Italian

MARY BLUME

restaurant near the Paris Bourse, where many coin dealers lurk. He should not be asked for by name, he instructs, but by the dish he always eats there: Mr. Calamaretti. Mr. Calamaretti is based out-

side Düsseldorf, which he considers a handy pit stop between forays of four to seven days a week across Europe to track down coins for Dallas. He says there are very few Americans based permanently in Europe and that he may even be the leading American dealer around. "The competition would tell you that," he says. "But I wonder if I'm not second or third and the leading ones are people I don't even know and never meet." He has just been in London to

buy a collection of 800 American silver dollars - "nothing of great importance," he says. His field is gold. In Paris for the day, he says he has "several" appointments with "various" people. His deals are strictly legal down to the last invoice but his sources are top secret and Mr. Calamaretti won't say much about them except no, he has never slit open a miser's mattress and found a Brasher doubloon.

Because the price of gold is down and liquidity is depressed, sales right now in the United States are slow, Emory says, but and will, worse, refuse to allow sellers to remain anonymous.



price sellers of gold receive, so measures that might diminish the luster of the gold market will only hurt the state, Emory says. "If the seller has to give his name the government will still get its 7 percont, but lots of people are just going to shove the stuff back into the little holes they come from and the government instead of getting 7 percent of plenty will get 7 percent of nothing."

Emory began reading The Red Book, as the Guidebook to United States Coins is known, as a boy and went into the coin business after graduating from the University of Pennsylvania in 1974. His specialty is old American gold and there is still plenty of that abroad. "At some point it has to give out," he says, "but millions and millions in face value were shipped overseas in the twenties and thirties as payments and loans." Gold coins from Southern mints struck during the Civil War used to turn up quite often in England, where the

Confederacy bought supplies. Rarities that Emory has found abroad include a gold proof set of 1839 consisting of \$2½, \$5 and \$10 pieces of which there are only two previously known examples, and an 1850 Quarter Eagle (\$21/2 gold piece) proof, the only example as far as he knows.

"The neatest work was a group of 1911 San Francisco mint \$10 gold pieces, which is not rare in itself but rare in perfect mint there is panic selling in France for state. These had been given by the fear the Socialist government will American governor of the Philipagain ban the export of gold coins pines to a Spanish friend in 1911 and I bought them in Zurich from



Marc ("Mr. Calamaretti") Emory flanked by U.S. gold coins.

Emory speaks nine languages. He majored in languages at col-lege and minored in the balalaika, which he still plays, along with the guitar, for a folk group that he tours with when he is not hunting for gold. He also speaks a specialist language that might be called coinese, the stock phrases used in catalogues to describe items for

good fine very fine good very fine good extremely line extremely fine about extremely fine nearly extremely fine good very fine/nearly ex-

American coin dealer he knew who spoke Catalan. end of extremely fine, in other words nearly mint state, and is better than nearly extremely fine although it sounds worse. Good extremely fine in Americanese is AU, or almost uncirculated.

The word rare means a coin is more rare than if it is called scarce and the difference between the two words could make a cash difference of thousands. "A 1878-S \$10 gold piece in very fine to ex-tremely fine is scarce." Emory uncirculated, it is rare."

French and Stempelgianz in Gerer who said OK and sold it 10 man, extremely fine is prachtig in minutes later for \$35,000." Dutch, superbe in French and vor-züglich in German. The word flashy is, contrary to its sound,



is in part influenced by habit and

Americans like coins to have a use silver polish to remove it, which drives American dealers and collectors nuts. The British and the French are probably the least offensive in that respect, the Germans clean everything and the Dutch are awful, too. The Scandinavians are very good, they usually don't touch anything."

As for value, the one sure thing is that a coin's face value doesn't mean a thing. A good rule, Emory says, is to buy a higher grade of cheap coin rather than a lower grade of more expensive one. The coin business is cyclical and went into a tailspin in 1980, but because of the rise of the yen, there have been huge recent profits in Japanese coins, although not in Japan where people tend to be unaware of the fact that gold 5, 10 and 20 yen pieces were minted from 1870 through 1932

Since gold pieces have no in-trinsic value, even dealers can be fooled. "We had a rare variety of a one cent of 1793 last year and we tremely fine is scarce." Emory thought a fair price would be says, "whereas in mint state, or \$25,000, which is what we asked the first person who saw it. The Mint state is Fleur de Coin in first person who saw it was a deal-

People in old Westerns bite gold pieces because gold pieces used to be very soft, especially favorable because it means the Latin American escudos. "They original luster remains. Despite took a lump of gold, put a die the precise terminology (with many further subdivisions in the United States) grading remains that in recent years gold coins

have become an easily transported and salable refuge for dirty mon-

My company, Heritage, was just awarded an over \$1 million consignment from the Drug Enforcement Agency in Colorado which had just busted a drug ring operating out of there and part of the money was in rare coins which we will auction in October."

There are fewer counterfeits in modern than in ancient coins because the machinery is so expensive. While rarity cannot guarantee a coin's value if there is no demand for it, new caches can be bad news, especially for collectors of ancient coins, which Emery does not handle.

"Hoards are being dug up all the time, smuggled across borders, patina, Europeans don't. "A lot of and you may end up paying collectors in European countries \$10,000 for something that used to be semi-unique from someone who forgot to tell you that 600 pieces were dug up last week in some obscure part of Sicily or the Middle East. One of the rarest American

coins to own would be a 1933 \$20 gold piece, which was never officially released although mint em-ployees probably took a few out. The problem is that anyone who owned such a piece would face having it seized as government property. A \$10 gold piece of the same year can be legally owned because it was circulated and then withdrawn when Franklin D. Roosevelt took the country off the gold standard. The 1933 \$10 gold piece would be worth \$40,000 while a \$10 gold piece from the year before is worth only about

Emory has only a small collection of coins and he says that, like a bank teller, he separates the sums he deals with at work from the money he spends in daily life. As he prepares to go off to his next undisclosed appointment he says that even going through a lot of banal-looking coins inspires hope:
"There's always the possibility

that you could come across some extremely rare date in a fabulous state of preservation the likes of which has not been seen for years and years," he says, rising from the table. And how were the calamaretti?

EMPLOYMENT

SECRETARIAL POSITIONS AVAILABLE

Tribune, 92521 Naully Cedex, France

EDUCATIONAL POSITIONS AVAILABLE

Very good, in fact what Emory might call about extremely fine.

LANGUAGE

A Manichaean Strugg

By William Safire WASHINGTON — "An un-ending, Manichaean East-West death struggle" was not something that Senator Albert Gore Jr. believed in, wrote Hendrik Hertzberg in The New Republic.

On the other hand, a "Manichaean view of a world that he sees as divided between the bad Soviet Union and the good United States was attributed to Richard Nixon by a New York Times reviewer of the former president's new book, "1999: Victory Without War." What about President Reagan -

where does he stand on Manichaeism? The sociologist Robert Nisbet, writing in Reason magazine, referred to "Reagan's Manichaean division of the world into the Good and the Evil empires," although the president's visit to Moscow subsequently cast that vivid differentiation in subtler tones.

Whence this voguish evocation of an obscure figure fogbound in the mists of history? "Come on, fellas," urges William F. Gavin of McLean, Virginia. "We all know politicians don't have a clue about the esoteric complexities of Manichaean theology. And we also know that not all moral dualities are Manichaean in nature.

"Accusing a politician of harboring a Manichaean view of the world," this street-corner conservative protests, "is a shorthand way of saying this poor chucklehead lacks sophistication, is ignorant of nuances and doesn't know - yokel that he is - that there is no black or white, but only shades of gray. Manichaeism — that spelling I

consider to be Good, and Manicheism, without the second a, to be Evil, accepted only by permissive orthographical descriptivists — is a religious philosophy, which was developed by a Persian named Mani (short for Manichaeus) in Babylonia during the third century after the birth of Christ, and which held some sway until the Mongol invasions of the 13th century.

Mani, if I may use the familiar diminutive, held that the principles of Good (light, God, the spirit) contend with the principles of Evil (darkness, Satan, the body) and that the pure spirit can be released from the sullied body's sensuality

through strict asceticism. In Manichaeism, one thing or the other will triumph and the winner is supposed to be determined in an apocalyptic struggle involv The social order of the k

chaeists, according to W.L. R. Dictionary of Philosophy and Dictionary of Philosophy and gion, offers some instruction day's pundits and their audie an inner circle of the Elect inv. the devout keepers of the frequired to exhibit rigorous pline and eschew (leshly plea while an outer circle of He included those allowed to included those allowed to property and marry. Recent cries have seen these lines blu

"Maybe we all ought to ag a moratorium." suggests (
"on applying theological lab
political figures, who, poor
(so to speak), have enough tr
with ordinary language, Othe
I can see the headlines now. Calls Dukakis 'Pelagian T Duke Calls Bush Soft on All

66 HE was masterful,"ent David Burke, the ABC News utive vice president, about Koppel's town-hall-meeting gram from Israel. USA Today dutifully put #

ful in the headline, and I so the distinction between that and musterly is fading. In olden times, masterful "domineering, overpowering

perious," and masterly in skillful." When the Texan for directions with a firm there, pardner, tell me how I Carnegie Hall," he was mas and the violinist who re "Practice, practice," was ma I like the distinction and s

it, but masterly is in trout good reason: it is an adjective ends with -h (like worldly, kindly) in a world that this words ending that way she adverbs modifying verbs.

If you have the skill of (a shortening of the Lating of the L

akin to magnus, "great" be a masterly violinist adjective modifying you but how do you play-Now you need an advert the verb play: masteraid illy? No such animals. But if you're a purist, the "overpoweringly," not "s

That's why masterfully ping over to take the pla missing adverb, and care the adjective the two sens perious" and "skillful."

New York Times Si

ARTS Page 4

ANNOUNCEMENTS

THE IHT IS NOW AVAILABLE IN KEY U.S. CITIES ON DATE OF ISSUE

Now printed by satellite transmission in the US, the International Herald Tribune offers same-day home or affice delivery in Manhatton, most areas of Washington DC and Los Angeles. Subscription capies are also flown directly to Allanta, Baston, Chappa, Houston, and San Francisco. In creach

In the U.S.A., call 1 - 800 - 882-2884 In New York, call (212) 752-3890

or write: ternational Herald Tribune 850 Third Avenus New York, N.Y. 10022 Telex: 427 175 Fas (212) 755-8785

UP TO

52 FREE ISSUES When You Subscribe to the International Herald Tribune Look for defails in the daily subscription ad.

LOSE WEIGHT, GIVE UP SMOKIN ALL TICRETS, Wimbledon, Phonton. Les Ms. Cats. all sport, pap & theatre. Credit cards. Tel. UK 01-493 2848-2939 Fas. 01-6-3 1501 Navil

ABOUT YOUR LONDON TRIP, Best seems everlable for Phantom, Les Mis, seens available for Phantom, Les Ms. Cass etc. + Wambledon tennis tickets Tel. Landon 240 3327. Tel London 249 3347.

ALL SELL OUT SHOWS, Frontom of the Opera, Les Mis, Cots, Folkes, Oress qualitable now! Tel London 379 4636 or 240 0818. All credit cords.

ALCOHOUCS ANONYMOUS English spealung meetings dials. Tel Paris de 34 59 65 or Rame 678 0320 THE LONDON CONNECTION - Les Mrs. Phantom, all theatre tickets + Windbledon UK 01 439 1763



LOS ANGELES' SOCIAL CONCIERGE

BODY GUARDS SOCIAL COMPANIONS LIMOUSINE SERVICE



213 274-3454 VISA, MASTERCARD

DECORATION OR DECORATING. Persons ezed layout and decoration of you interior done by a professional. (Cor ceptron - plans - direction of specia ized team). Tel: Paris 47.45.60.21. MOVING

MOVE Plus

THE INTERNATIONAL MOVERS ENGLAND AMERTRANS
(01) 9533636 London
HOLLAND
(010) 4372255 Rotterdom
FRANCE
(1) 434372364 Port;
GERMANY 1061721 48311 LM.S. [06172] 4831 L.m.a. FLYTTE SERVICE (04) 696300 Stovanger NORWAY

MARTINI TECHNOTRANS - NCE / CANNES, Tel: 93.37.43.44. Overseas Moving - Storage - Padang - Air/Sea Shipping, Car/Baggage, Clearance. REAL ESTATE FOR SALE

FRENCH PROVINCES CANNES CALIFORNIE

Spiendid 3-room oportment.
Panaramic sea view.
120 sq.m. + 14 sq.m. terrace
FF 2.150,000.
CONTACT: BERGE IMMOBILIER
(GE) 93 99 37 12 HOLLAND BUY REAL ESTATE IN AMSTERDAN and receive 17 % on your investment Call EMBA 31.20.274247

PARIS & SUBURBS MARAIS - ST PAUL EXCEPTIONAL in beautiful flown house, magnificent 5 corn againment, all comfarts, with prate gorden, swamming pool & sound Price F7.500,000 A.I.M. 42 78 82 23

PORTE DE LA MUETTÉ
Ground Roor, 144 sg.m. 4 rooms witt
gerden. 1st Roor, 300 sg.m. 8 rooms
Can be combined. Class.
GROUPE E.J.I. 47.42.26.88
Real Estate, Rons and Prowness

7th ON CHAMP MARS 310 sq.m. duples, luxursausly decarated, 5 bedraams, 5 baths, 250 sq.m. private garden, 2 parlang spaces. Marrier 42 72 69 50

R. LAURISTON ETOILE New apartments Studio, 2, 3 rooms Charm, greenery Call appointment OFFICE SERVICE 47 55 07 14

NBUILLY: FACING BOIS, owner sels in freestone building, 96 sq.m., entire-by redone, 2 bedinasms, clouble living, ecuspoed lutchen, balkeny, garage, cellor. F3,100,000, Visit laday, 10am-naon 2pm-dpm, 37 bd Cdt Charcot BE CITE. Owner s, duplex apartment, with Notice Dame & Sense Tel. 45.33.37.54 or [16] 50.71.02.88. or 50.71.39.57 NBURLLY, 230 SQ.M., old freestone, 2nd fil, Imple reception, 4 bedrooms, double garage, mod's room, Price Fo.300,000, Tel; 45 74 04 18.

LAKE OF LUGANO
RESIDENZA PALMETTA
Dracity of the Lake 9 kmary aportments. 3 townhouses, Best location, private lokeside plot, private berth. Becamful viow, comaries surroundings, healted
swemming pools, underground gorouges.
SFR. 517,000 to 1,055,000 High Swas
mortgages, free for sale to foreigners.
EMERALD HOME LTD.
VIA POCOSEUL 25
CH-6815 MELIPS/ LUGANO
Talt CH-91-68 65 23
Fox: CH-91-68 73 44

REAL ESTATE TO RENT/SHARE FRENCH PROVINCES AP FERRAT. 5-bedroom villa, all comforts garden sea view June July. August. Owner Paris (1) 46:24:83:47

GREAT BRITAIN MAYFAIR. Short let knury serviced operhients in the heart of Landon's shopping 8 entertainment districts. 50 yet hom US Enteusey, 24 hour reception Competitive prices. 10 Lees Place, Grosvenor Sq. Landon W1 Tel (1)-491-7055 This 259-20 LEES G

HUNTINGDON HOUSE, konumous serviced appartments in Central London. Tel: 01 373 4525. Tlx 25293. LONDON, CHELSEA, ON GARDEN. Exceptionally spaceus 3-room flat. Weekly. Tel: Paris 45 20 37 25.

DUTCH HOUSING CENTRE B.V.

**** Delaxe rentals ****
falenusstr. 174, 1075 CH Amstreador
Tel. 31,20,664,4444 Fax: 664,5354

FLATOTEL TOWER

A NEW WAY OF STAYING IN PARE The Claridge Residence

FOR 1 WIEK OR MORE high class studio, 2 or 3-room oportments. RULLY EQUIPPED, IMMEDIATE RESERVATIONS. TEL: 43 59 67 97

AT HOME IN PARIS SHORT OR LONG TERM PARIS PROMO

FURNISHED & UNFURNISHED FIRST-CLASS APARTMENTS Minmum renkal 2 months. Also flots & houses for sale. INTER URBIS, 1, rue Mollen. Paris (8th). Tel. (1) 4563 1777

16th, TROCACERO
Modern, 2 rooms, F7,800.
3 4 rooms, F1,3500.
4th, ILE ST LOUIS, Residential, bubble reception, 3 '4 rooms, F30,000
TEL: 42.25, 32.25 (78) LA CELLE ST CLOUD, é-room house, garden, F14,500. (73) MELDON, near RER 9 rooms, garden, F15,000. TEL 42 25 32 25.

ILE CITE, Owner's rowshing furnished duples, view Notre Dame & Sene Tel: 46.33.32.54 or (16) 50.71 02 88, or 50.71 39 57. RE ST LOURS. Very charming double Immg. 2 bedrooms, well furnished, beams, freglace, character F10,500. Tel: 47,20,37.99

8th ALMA MARCEAU, very charming from, bedroom, study guest bedroom, frieglace, balcon, well-furnshed, FTI 500. Tel: 47 20 37.99 16th TROCADERO. Begant living dining 2 bedraams, 2 batts, beautifully furnished, well equipped F15,000. Tel. 47 20 37 99.

short term. Please relephone 43 25 (18 9)

ROOM AND APARTMENT to rent from F700 week, Near Champs By-sées. No opens, Tel. 47 45 08 65. MARAIS - LUXURIOUS STUDIO, F3700. 6-month minimum. Tel-42,72,92,34. OWNER'S HIGH CLASS hely fur

REAL ESTATE TO RENT/SHARE

FOCH, ELEGANT 90 sq.m. oportment, period style, F8,500. Tel: 42 56 17 23. NEUHLLY, rice charming 2-room flat, 5 minutes from Metro. Short term possi-ble. F5,900. Tel: 46,22,83,07. ON GARDEN, TROCADERO, Chorm. Large studio + dressing, sha latcher. Tel: 45 20 37 25.

> TROCADERO. Charming small studio, 6th floor, on garden, all comforts. F2,800. CIRD 45 00 07 15 PARIS AREA LINEURNISHED

rents fiving + 2 bedrooms, equipped latchen, 3rd Roor, lift. Rent F8,500 + charges. 47 20 94 46 or 42 25 00 74 PARK MONCEAU, luxurious 5 rooms, 2 bothrooms, newly redone, equipped latchen, F15,700, Tel. 45 27 12 19.

TO RENT/SHARE PARIS AREA UNFURNISHED

REAL ESTATE

Embassy Service 8 Ave. de Messine 75008 Paris YOUR REAL ESTATE AGENT IN PARIS FAX 42.89.21.54

LE VESINET. CENTER OF TOWN, ground floor, 20 mins Broile wa BER, 77 ss.m., kitchen & both fully equipped, large lung/daining area, 3 badrooms, F8,000 per month net. Available 15 July, Tel: 42 78 43 08 7TH UNIVERSITE, in elegant historic private marson, lovely 2nd floor apartment, large reception, 2 bad-rooms, 2 bartis, equapped larden, porteng, F18,000. Tel 47 20 37 99.

> WANTED/EXCHANGE Teles: 461235 France.
> SEEGING TOP STANDARD ESTATES, for American dents. Wilefrandse, Beouleu, St-Jean. Urgent. Promotion Macort, "Le Ruh", I Promotion anglos, Nice. Tel. Mrs. Walter 91,88.37.37. Teles: 461235 France.

POSITIONS WANTED

LICENSED SKIPPER, sail or power t 1000 tons, FCC 1000 wort ticket, part

CONTRACT ADMINISTRATOR/ US Government familiar with Dar/For seeking European assignment, Write P.O. Box 131, Los Alamitos, CA 90720 SECRETARIAL POSITIONS AVAILABLE SECRETARY / RECEPTIONIST To

feshion and adversing corporation. English mother tongue. Must be orga-rized and dynamic. Available immedi-ately. Pieces send C.V. and phinto to: Box 5872, Herold Tribune, 92521 Neutly Cedex, France.

International Business Message Center

ATTENTION EXECUTIVES ATTENTION EXECUTIVES Publish your business message in the International Herald Iributus, where more than a finit of a militan readers world-wide, most of whom are in business and industry, will read it. Just talex us (Paris 613393) before 10 a.m., easuing that we can talex you back, and your message will appear within 48 hours. You must include complete and varifiable billing address.

BUSINESS

OFFSHORE & UK LTD COMPANIES

Incorporation and management in UK, liste of Man, Gabraltor, Turks, Anguilla, Pariama, Liberta, Channel Islands, & most other offshere press.

Gonfidential achice

Nammes services

Residence: Immigration

Rocal registration

Acquariting & administration

Mail, telephone & teles

Free aughtenatory bootset from:

RMISENIATIONAL COMPANY

SERVICES LTD

Springfield Ct., New Castletown
Rd. Douglas, Isla of Mon
Tel. Douglas, Isla
Tel. Dou

OFFSHORE COMPANIES

 Free professional consultation
 Worldwide incorporations
 Immediate availability
 Full confidential services
 Landon representative.
 Full administration services Aston Company Formation Ltd., 19 Peel Rd. Douglas, Isle of Mon. Tel (0624) 26591, Tlu 627691 SRIVACI Fax 0624 25126

BUSINESS SERVICES OPPORTUNITIES

We one interested in port venture portners to share investments with us on equity and loan investments to businesses in S.E. United States. Excellent profit potential to 20%. For full information, contact: Frank Adontson, Southern Highlands Foundation, P.O. Baz 49606, Allanta, GA 30359, USA or Fax: 404-633-3647.

INTERNATIONAL OFFSHORE COMPANY INCORPORATIONS FROM US\$150 Comprehensive professional services of the comprehens

CASH BLYTER, with excellent decoding operation, is willing to pay the best prices for all well-known brands of hims. Color film, x-tay's, film paper at. Piecus send offers direct us. B.C.L. P.O.B. 180, Amsterdam, Holland, Fraz. 31-72.613366. Teles: 57233 BSA N.

IMPORTANT CO in sporting goods. Stock immediately divalidate. Only brand names as Adidas, Nike, Prima, Reabook. Converse, etc. Competitive prices. Also interested to buy. Contact Belgion. Sport. Distribution. Belgium. Telesc. 22278. Forc. 02 374 7705. Tel. 02 375 99 16

SRITISH/AMERICAN Bestseller Cub/ ogents needed for videos, CDs, LPs, Write Mr Koye, 91 Easter House, Putney, London Tel 01-788 8746 H.K. CO. FORMATION; Nominess. Trustee bonlung & A.C. services. Pease contact Proxy Management. Tel: 5-441330. Fax: 5-434350.

GENERAL POSITIONS AVAILABLE

EMPLOYMENT

AMERICAN FINE ART DEALER, iving WRITER. Experienced, serious, excel-lent American/English writer needed to help co-write outobiography in Paris, Solary/Items regotable. Write or phone book Hober, Beverly Hills, Holel, 35 noe de Bern, Porn 75008, Fronce, Tek 43,59,55,55. AMERICAN FIRST ARE DEALES, IVING in Zunch seeks expensived personal secretary (part-time). Must have fin-gish mother targue and German sec-and. Good hyping and phone skills are necessary. Please call: Zunich 01,7341 00 08 between 10 on, and 4,644. PATTLEMPLOYMENT. All fields. Write for application ACC, 2730, San Pedro NEH Albuquerque NW, 87110 USA. INTERNATIONAL LAW FIRM on Poris

1000 tons, FCC 1000 worth totel, paramedic, experience, charter, solvoga.
Spook sparish, Prefer Mediserronean,
will consider intel's berth on larger
vessel. Sober, mours ex-USMC. References. Copton Busch (0411)
2971036 message only 1x 2145/6 hbg
YOUNG MAN WITH BRILLIANT
med needs challenging position to
castal top everune with spacial missions and interrogical projects. Associable for immediate interview. P.O.
Box 70366, Las Vegas, NV 89170.
CONTEACT ADMINISTRATION US

DOMESTIC POSITIONS WANTED PORTLIGUESE COUPLE 35 years, flu-ent French/Sparesh, some English. References. Free now. Lisbon 2297827

TAX SERVICES

FORMER IRS ATTORNEY

EUROPEAN Stude Member Review, recommendations and strategy for US Dollar swestors, For next 3 reports send US\$30 to American Abroad, Postfach 249, A-9500 Villach, Austria.

ZURICH-ZURICH-ZURICH BAHNHOPSTRASSE 52
YOUR OFFICE AWAY FROM HOME
Office. Management Services
Company Formations
How to do Busness artest
FROM SWITZERLAND
Brusness Services Consult Corp.
Behvhofstrasse 52, CH-8022 Zunch.
Tel 01/211 92 07. The 813 062 BSIC
Fixe. (1) 211 19 22.

Trustee borrieng & ArC cervices.
Please contact Prany Management.
Tel: 5-441330. Fox: 5-434330.
HONG KONG CORPS. \$220. Amusal cost \$280. \$21.01, 35 Queen's Rd. HK. Tike 83870. Fox: 852-5246750
WANNED: PARTINESS for trendy American enterprise. Coll USA (415) 851-1919.

INTERNATIONAL CLASSIFIED LEGAL SERVICES LS. DIVORCE IN 21 DAYS. No nee to travel, with or without consent of souse. Dreimer Legal Associates, p'a 1E Weteringdwarsstraat 54/54A, NL-1017 TP Amsterdam, Holland, Tel-31 20-840226 or 823058, Fax 823058

> LOW COST FLIGHTS **ACCESS VOYAGES**

seeks English mother tangue secretary with working knowledge of French. Apply with CV to: Box 5870, Herold UNIVERSITY LECTURERS
Applications are invited in American
Government and Histotry, Arithropology, Chemistry, Computer Science, Economics, IFSM, and Speech, Doctorde
preferred, Recent teaching experience
in American university system highly desirable. Must be national of NATO
country. Program is offered at scores of
locations finaughout Western Europe.
Applicants with graduate degrees in
more than are discipline particularly
simited.

Buli F7995
Tokyo F3990 F7990
West Indies F3990 F7990
and more destinations 2800
and more destinations 2800
Bestinations may apply
Tel: (1) 4013 02022 or 4221 4694
6 rue Pierre Lessot, 75001 Puris
Metro - RER Chatalet Les Holles
(U.C. 175.111)... and now
ACCESS IN LONDON
New York £ 99 £198 insted.
THE UNIVERSITY OF MARYLAND
IM Bosseldom 30
6900 Heidelberg, West Germany
Tel: (0) 6221-3780

Tel: (0) 6221-3780

SER ESI. TEACHERS, paper/experience. Available 21/6, summer. Particular PosstTIC POSITIONS AVAILABLE

WASHINGTON, US FAMILY, with 3 children, seeks famile, 30 years and over for housework and child minding, during summer months July/Aug-Joget, Permanent post possible. The position was for US. 4504 6/6/ Paris
All PAIR Famile, non-socier, experience. Aldwych House, 71-91 Aldwych, London WC2, Tel: (1) 404 44 66 Beeft now by phone with credit cont

AU PASt: Female, non-smaker, experience with infant care, English speaking, light housework involved. Requires viso for at least 1 year. Dr. Gultz, New Jersey. Tel: (201) 890-5306, 10cm to done or (201) 831-7740

AUTOMOBILES EXECUTIVE MERCEDES, 300 SE, 1997, low mileage, 5,000 km, as new, astomatic, our conditioning, sun root, ABS and much more. Ready for export. F250,000 no VAT. Call. Mr. Lebrassau 42 42 24 68 Fans. **AUTO RENTALS**

PARIS ALL INCLUSIVE PRICES NOTHING MORE TO PAY Rates include unlimited lans, insurance collision damage waiver, + tax, Daily rates and other models available CENTRAL RENT-A-CAR

TRANSCAR 17 ov de Friedland, 75008. Fors. Tel 4225 6444. Nice: 9321 3550. Antwerp 233 9985 Cornes 9339 4344 **AUTOS TAX FREE** FOR MORE THAN 12 YEARS EUROPE'S LARGEST SHOWROOM

AUTO SHIPPING

TRANSCO Tor free sides - shapping - insuronce: We stock over 300 brand new cars. European - Japanese - American, Very competitive prices - fast delivery, Send for free multicolor catalogue: TRANSCO NV, 95 NOORDERLAAN, 2030 ANTWEEP, BELGIUM 71 323/542 6240 Tx 35307 Trans b TRASCO GERMANY, Mercedes Benz

WORLDWIDE FLIGHTI USA caryture, \$160, west coost; \$269, APP, 103 rue La Baetie, Paris 8th (a few yords from Ch. Elysees). Tel. (1) 42,89,10,81. HOLIDAYS & TRAVEL ST CLOUD, 5 mms Pans. Near part Big living + bedroom, July/Augus F5,000/month, 46,02,13,24 after 9pn HOTELS

GUAM USA DIVORCE Fost. Both sign, no travet. Free Book, Altoxitey Don Parfurson, Box BK. Agana, Guain, Ph. (671) 477-7637 or (671) 477-7594. UDOR HOTEL New York 500 rooms. Fashionoble East Side of Marhotton near United Nations, Recsariable roses, Tel: 212-986-8800 or 800-221-1253, Tb. 422951.

Polo Ralph Laur— ETALAGIST/WINDOW DRESS² with knowledge and interest in PO RALPH LAUREN apparel. English and French required. Position a. able immediately.

U.S.A.

FOR MO CLASSIFIE

lakenver

Place Your Classified Ad Quickly and Easily

INTERNATIONAL HERALD TRIBUNE By Phone: Call your local IHT representative with your text. You will be informed of the cost immediately, and once prepayment is made your ad will appear within 48 hours. There are 25 letters, signs and spaces in the first line and 36 in the following lines. Minimum space is 3 lines. No abbreviations occupted. Credit Cards: American Express, Diner's Club, Eurocard, Master Card. Accept and Minimum spaces.

in the

HEAD OFFICE Paris: (For dossified only):

Amsterdom: 26-36-15. Athens: 361-8397/360-2421. Bergen [Norway]: (05) 134010. Brussels: 343-1899. Copenhagen: 45 01 42 93 25. Frankfurt: (069) 72-67-55.

Helsinki: 647412. Istanbul: 1488957/ 1476669/1484847. Lausanne, 29-58-94, Lisbon: 67-27-93/66-25-44, London; (01) 836-4802 Madrid: 455-2891/455-3306. Milano: 5462573. Bergen (Norway): (05) 134010. Rome: 679-3437. Stockholm: (08) 7920949. Tel Aviv: 03-455 559. Vienna: Contact Frankfurt,

NORTH AMERICA Chicago: [312] 446-8764. Houston: [713] 627-9930. Tx.: 910-881-6296. Los Angeles: (213) 850-8339. Tx.: 650 311 7639. New York: (212) 752 3890.

SOUTH AFRICA Bryanston: 706 14 08. LATIN AMERICA

Please send resume (C.V.) to:

POLOCO S.A.

2, Place de la Madeleine, 75008 Pari

Attention: Scott POLITZ/ Bernard BI

Bogote: 236 9747 - 256 60%, Buenos Aires: 313 69 86 Caribbeon: based in N.Y. Tel.: (212) 68 46601, Costo Rico: (506) 240542. Tx.: 1050 RACSA. Guayaquil: 32 12 66 - 52 28 15. Lime: 417 852 Mexico: 535 31 64.

Coiro: 3499838, Dohe: 416535, Dubai: 224161, Jeddah: 667-1930, Omon: 7041 86. Tunis: 710 797.

Seoul: 734 76 11. Singapara: 223 64 78/9. Taiwan: 752 44 25/9,

St. Kilde: (03) 525 32 44 **NEW ZEALAND** Audidand: 775 120.

الإنهاجة معاديات

ln (seranan

. . . .

• •

...

.....

4 . 1

ا هكذاص الرجل

REAL ESTATE TO RENT/SHARE GREAT BRITAIN LONDON, FLATS AND HOUSES TO AMERICAN STANDARDS. Consult PKI, Limited. Tel. (01) 352 8111 for Knightsbridge, Kertsington, Chelson, Beigrown, Let. (01) 356 9882 for Re-gents Fork, Primose Hill, St. Johns Wood, Swiss Cottoge. Tel. (01) 777 2733 for Helland Fork and Kertsington or Tb.: 27846 RESIDE G.

HOLLAND

PARIS AREA FURNISHED

Rent a FLAT or an OFFICE in Paris. By day or more From FF 5800 / month. With all possible hatel services Housekeeping, rooms service_etc Studio up to 5 rooms,

on the River Seine, not beside the Effel Tower. RATO'RE EUPO o few meters fro the exhibition center forte de Versalle for more information please call us. 45 5.4 93.07 Tall free. 05 345 345

Estale Agent - Property Manager & Ave Hoche, 75008 Pars. 45 63 25 66

MARAIS, 3-ROOM APARTMENT, light & quet available laine 20 through lain. 89: F6000 per month. Tel. 64.45.66.36

FURNISHED FLATS FOR RENT from 3 months to 1 year. Evolutive. Tel: 47 53.86.38. 15th TOUR RIVE GALICHE, 50 cg.m. full south, wew on Sene, parking, equipped birther, Tel: 4579 4511, LEFT BANK - SUMMER RENTAL,

BUSINESS

JOINT VENTURE INVESTORS

dude nominees,
Representative affices,
Powers of attorney, teles, telephone
Frux, mail forwarding warldwide
Island Resources
National House,
Santon Isle of Man.
Phone: DASM \$23555
The 628352 Island G Fax: (0620)823949

LONDON ADDRESS BOND STREET, Mail, Phone. Fox. Talan. Confirmation Mail, Phone, Fax, Telex, Conference room, Call 01-499-9192, Tx 262690

os honde problems/claims/returns. Joyce Rebhur JD, MBA, PhD. 5344 Franciew Blvd. Los Angeles, CA 90056 Tel: 213-216-5788/ Franc. 213-216-0903 CAPITAL WANTED ADS - HERBAL SERUM. Shong rives fors needed to set up production facility for harbot serum which builds up immune system pagmas AIDS. Seriou investors call (350) 70606. De Gaulle Asport (1) 39.92.83.89 Pons office (1) 42.60.52.02 FINANCIAL SERVICES

OFFICE SERVICES

TAX-FREE cars, all makes and models, very good prices - Buy back scheme. BCA, Box 49, London, WCIN 3XX UK

Toll free: (800) 572 7212. Tx.: 427 175. Fax: 755 8785. San Franciscoe (415) 362-8339. Taranto: (416) 585-5485. Tx.: 06-219629.

MIDDLE EAST Ammon: 62 44 30. Beirut: 341 457/8/9.

Rio de Janeiro: 021 232.5273.

FAR EAST Bengkek: 258 32 44, Bombey: 38 50 19, Hong Kong: 5-861 06 16. Karachi (Poliston): 51 13 46. Manife: 817 07 49.

Nearly extremely fine, Emory sellers to remain anonymous.

The French government antomatically takes 7 percent off the matically takes 7 percent of the seller got in touch with a says, is like saying good very fine:

The seller got in touch with It doesn't quite make the grade.

Good extremely fine is the high

> PARIS AREA FURNISHED CHARM AND STYLE. Writer's 2-room flor, sunny, calm, fully equipped, TV. References, F6300; 43.57.11.93 eves.

> > 15th RUE FONDARY. Duplex, 50 sp.m. on private garden, F6S00, ORD 45.00.07.15. 84 MONTMARTRE, Rovishing bochelor's apartment, all comforts. Short term possible. F2,800. 42 25 16 82. 6th POMPE. Modern, large studio, all comforts. Short term possible. F4,200. 42 25 16 85 7th NEAR CHAMP DE MARS, becuti-ful studo, all conflorts. F3.600 includ-ing charges. Tel. 47 66 50 00. 16th, NEAR FOCH. 3 reoms, private garden. Renting for 23 months. F13,000 / month. Owner 45.00.50.14.

SERKING 1ST CLASS ESTATES, for American clients, Villefranche, Secu-lieu, St-Jean, Urgent, Promotion Mo-zori, Ruhf, I Promenode des Anglas, Noz. Tel: Mrs. Wolfer 93,88.37.37. Teles: 461235 France.

REAL ESTATE

MOTO WELL TREBHAND AG Kolimpletz 9 CH-6301 Zug / Witterfood Tet 0041-42-41 52 52 Talan 842605 XERS CH

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Parls.

entrored cars & stretched lamousnes from stock. Stendomin 38, D-2820 Bremen, Th: 246624, Fax: 421630205. Tel: (0) 421-533044 UCENSE PLATES expire I first Solution: Pursition, PO 2477, 6701 Lugano Swit-zerland, Fox 091/237247, TLx 844024

Henclulu: [808] 733-1004 Fax 808-733 1009

Tokya: 504-1925.

 $(x_1,x_2)\in \mathbb{R}^{n}$ Secretary Page &